

The Global Newspaper
Edited and
Published in Paris
Printed simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague, Marseille, Miami.

No. 32,324 5/87

LATE NEWS

Reagan Answers Queries on Iran

WASHINGTON (UPI) — President Reagan, who has not answered public questions on the Iran arms affair since Nov. 19, met in private Monday with a special panel to discuss his involvement in the operation.

A brief White House statement said that Mr. Reagan "answered all of the panel's questions" about the evolution of the Iran initiative, his involvement in the operation "and the U.S. foreign policy process in general." The statement said that Mr. Reagan expected to meet again with the panel.

INSIDE TODAY



President Reagan working on the State of the Union address he will make to Congress Tuesday evening. Page 3.

GENERAL NEWS

- In the trial of the former leader of the Central African Republic, citizens hear a recital of grisly murders. Page 6.
- Poverty among blacks is increasing in American cities, studies show. Page 3.
- EC foreign ministers appealed to the U.S. for flexibility to avert a trade war. Page 9.
- Exxon reported a drop in quarterly profit, but a gain for the year. Page 9.

Aquino Allows Protest

20,000 March To Palace for Land Reform

By Michael Richardson
International Herald Tribune

MANILA — The Philippine government called off the armed forces and allowed thousands of leftist protesters to march to the main gate of the presidential palace Monday.

Officials said the decision to withdraw the troops and let the demonstrators through was made personally by President Corason C. Aquino.

At least 18 protesters were killed and dozens were wounded Thursday when marines opened fire on demonstrators who tried to break through police lines and cross a bridge to the palace.

Organizers said 50,000 people took part in the march on Monday. Independent observers put the number at about 20,000. The demonstrators have been demanding government action on land reform.

The presidential spokesman, Teodoro Benigno, said Mrs. Aquino met with some of the protesters Monday and decided to allow them through to the palace despite strong reservations by military commanders who felt they could not guarantee security.

"The president felt it was a tense situation that had to be defused," Mr. Benigno said.

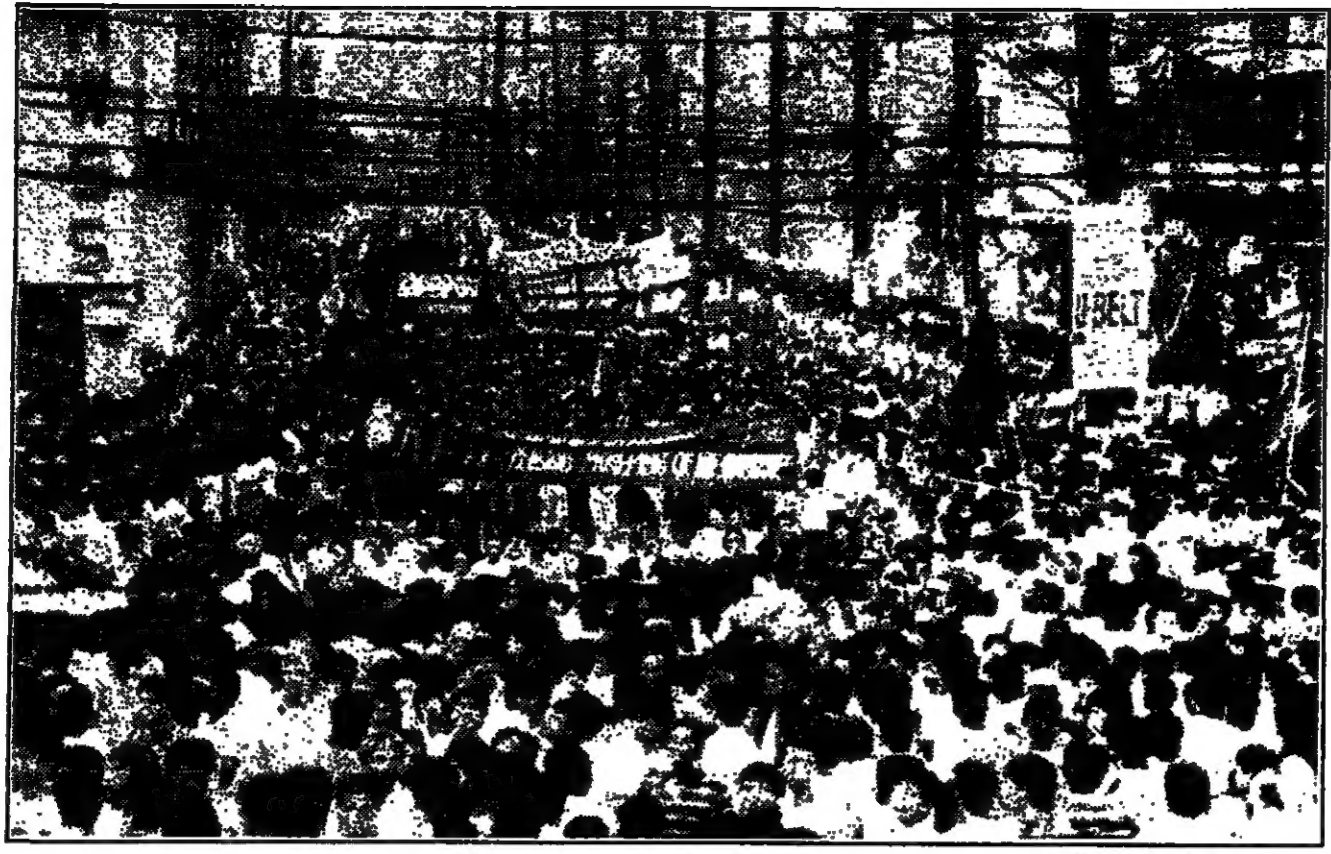
Mrs. Aquino was reported to be close to tears when she met the farm and trade union leaders Monday and told them the killings brought her great pain.

"I could not sleep," she was quoted as saying.

Jaime Tadeo, the farm leader who led the march Thursday, was himself in tears. He told the president that the peasants loved her but that military barricades were isolating her from the people.

Some analysts said they feared that Mrs. Aquino's handling of the situation Monday would intensify criticism in some military quarters that she was not tough enough with Communists and their sympathizers. But officials said they believed the armed forces would accept her.

See MANILA, Page 2



Protesters demanding action on land reform by President Corason C. Aquino marching in Manila on Monday.

Manila Alleges Military Tapped Phones

By Keith B. Richburg
Washington Post Service

MANILA — President Corason C. Aquino's top aide accused the military authorities Monday of tapping the telephones of high-ranking government officials.

Speaking at a breakfast forum, Joker Arroyo, Mrs. Aquino's executive secretary, said the Defense Ministry tapped his home phone and those of other officials during Mrs. Aquino's visit to the United States in September.

"We asked the armed forces, and more particularly the Defense Ministry, to secure our phones," he said. "They left bugs. That is unpleasant but that is the truth. I repeat, instead of securing and removing the bugs, they placed bugs."

Mr. Arroyo also said that, in an effort to "placate" the U.S. government, he staged a conversation with Mrs. Aquino, who was in New York. He said he assumed the United States was monitoring the conversation.

His comments were part of government efforts to limit political damage from the disclosure last week of secret tape recordings of a conversation he had in September with Mrs. Aquino and Teodoro Locsin, a presidential speechwriter, who also was in New York.

The taped conversation appears to contradict Mrs. Aquino's repeated assertions that she had no dealings with the independent panel that drafted the proposed Philippine Constitution. The charter will be put before the voters Monday.

During the conversation, according to copies and transcripts of the tape, Mrs. Aquino and her aides discussed the implications of the panel's wish to make the Philippines a constitutionally nuclear-free country.

The three expressed fears that an aid bill in the U.S. Senate would be imperiled by the vote. Mr. Arroyo suggested telephoning a commission member.

The disclosures were potentially damaging. Not only has Mrs. Aquino repeatedly said she did not try to influence the constitutional commission's deliberations, but any taping of U.S. involvement in internal Philippine affairs would raise fears of Washington trying to manipulate events in the country.

Mr. Arroyo said Monday that the taped conversation did take place, although he added that some portions of the tape appeared to have been spliced. He would not specify where he thought the tapes had been spliced and what material he believed was excluded.

He explained the conversation by saying that the three had assumed their conversation was being listened to by U.S. officials during Mrs. Aquino's visit.

After the commission voted to make the Philippines nuclear free, Mr. Arroyo said, the three decided to stage the conversation to make it appear to the Americans that Mrs. Aquino was concerned and would try to have the vote reversed.

"The conversation was for American consumption," Mr. Arroyo said.

Mr. Locsin made much the same points in a long letter that a local newspaper published Monday. He wrote that, during Mrs. Aquino's stay in New York, a request for a sweep of bugs would have been "impolite and impolitic," so the president's party assumed at least three parties were listening to every call: the party making the call, the party receiving "and an American and/or Philippine bug."

The tape of the September call, See TAPES, Page 2

2 More Abductees In Beirut; Total At 12 in 2 Weeks

United Press International

BEIRUT — Gunmen kidnapped two men, apparently foreigners, in West Beirut on Monday, dragging them from a shop by their hair with guns at their stomachs. Their identities were not immediately known.

The abductions came after a deadline set by the Organization of the Oppressed on Earth to kill one of the four hostages who were seized Saturday passed without any word on their fate.

[The Kuwait news agency Kuna, meanwhile, reported from Beirut that Terry Waite, the special envoy of the Church of England who has been out of sight for six days, had been placed under "house arrest" by hostage-takers.

[Independent confirmation of the Kuna dispatch was not available. Mr. Waite arrived in Beirut on Jan. 12 in his latest mission to secure the release of Western hostages.]

A caller claiming to speak for the Muslim fundamentalist group had vowed to kill one of the three Americans and an Indian who holds resident alien status in the United States unless West Germany met the kidnappers' demand and freed a suspected Arab hijacker wanted by the United States.

In Bonn, officials were still considering a U.S. request for the extradition of Mohammed Ali Hamadei, who is wanted on murder and air piracy charges. A Foreign Ministry spokesman also said that West Germany had "temporarily" closed its mission in West Beirut "for security reasons."

Two West Germans, Rudolf Cordes and Alfred Schmidt, have been abducted in apparent retaliation for the arrest of Mr. Hamadei in Frankfurt.

An estimated 1,000 students marched through West Beirut on Monday, protesting the abduction Saturday of the four professors at the private Beirut University College. The four are Alan Stein, 46; See BEIRUT, Page 2

U.S. Expresses 'Outrage' at Kidnappings In Lebanon

By David Hoffman
Washington Post Service

WASHINGTON — The United States expressed "outrage" on Monday at the latest kidnappings in Lebanon, but warned Americans "there is a limit to what our government can do" to rescue those taken hostage "in a chaotic situation such as that in Lebanon today."

In a written statement released by the White House spokesman, Larry Speakes, President Ronald Reagan noted that more than 20 citizens from nine nations are now being held by terrorist groups in Lebanon.

"The terrorists appear to believe that by trafficking in human lives, they can force sovereign governments to give in to their demands," the statement said. "But our government will not make concessions to terrorist groups despite their threats."

The statement reiterated past claims that the United States would not bow to terrorist demands because "to give in to terrorist blackmail would only encourage more terrorism."

"To yield to their demands now would only endanger the lives of many others later," it said.

In contrast to its attitude in past hostage-takings, the White House sought Monday to reduce expectations.

See HOSTAGES, Page 2

Tougher Times, Weaker Base for Kohl

By James M. Maricham
New York Times Service

BONN — Chancellor Helmut Kohl won an unimpressive victory in parliamentary elections that many politicians say could make the next four years at the helm of a center-right coalition much more difficult than the past four.

Mr. Kohl's three-party coalition won 53.4 percent of 38.2 million votes cast Sunday, but the chancellor's Christian Democrats and their



A Kohl campaign poster heads for the basement.

NEWS ANALYSIS

Bavarian sister party, the Christian Social Union, had their weakest showing since the Federal Republic of Germany was founded in 1949.

They dropped a staggering 4.5 percentage points from their 1983 share, to 44.3 percent of the vote.

As Christian Democratic politicians cast about Monday for explanations, they found a few persuasive culprits: angry farmers who did not vote; sudden freezing weather; a widespread mood, encouraged by opinion polls, that a coalition victory was assured. Voter turnout, at 84.4 percent, was the second-lowest of West Germany's 11 national elections.

Outside of Bavaria, there was also bitter blame for Franz Josef Strauss, the outspoken premier of the southern state, whose campaign rhetoric sometimes sounded as if he intended to storm Bonn after the election and give West Germany's foreign and domestic policies a forceful shove to the right.

The happy beneficiary of Mr. Strauss's fulminations was Foreign Minister Hans-Dietrich Genscher's small Free Democratic Party. The party, the junior partner in the Bonn coalition, won a handsome 9.1 percent by attracting about 900,000 Christian Democratic supporters who wanted the coalition to tilt toward the center.

It is certainly a consolation to Mr. Kohl that Mr. Strauss's Christian Social Union suffered a 4.3 percent erosion of support in its southern bastion. The Bavarian premier, who now looks disinclined to take up a cabinet post in Bonn, may have sounded his last hurrah.

Yet Mr. Kohl himself failed to deliver what Germans call "the chancellor bonus" to his party, that extra margin of support given to a popular and well-respected leader. This, in the view of many politicians, will almost certainly diminish his authority as West Germany faces testing times.

The chancellor had the good fortune to preside over a strong, inflation-free economic upswing that got a powerful fillip from low oil prices and an overvalued dollar. Yet the steam is going out of an export-led boom, and most independent economists regard the government's predictions of 2.5 percent growth in 1987 as optimistic.

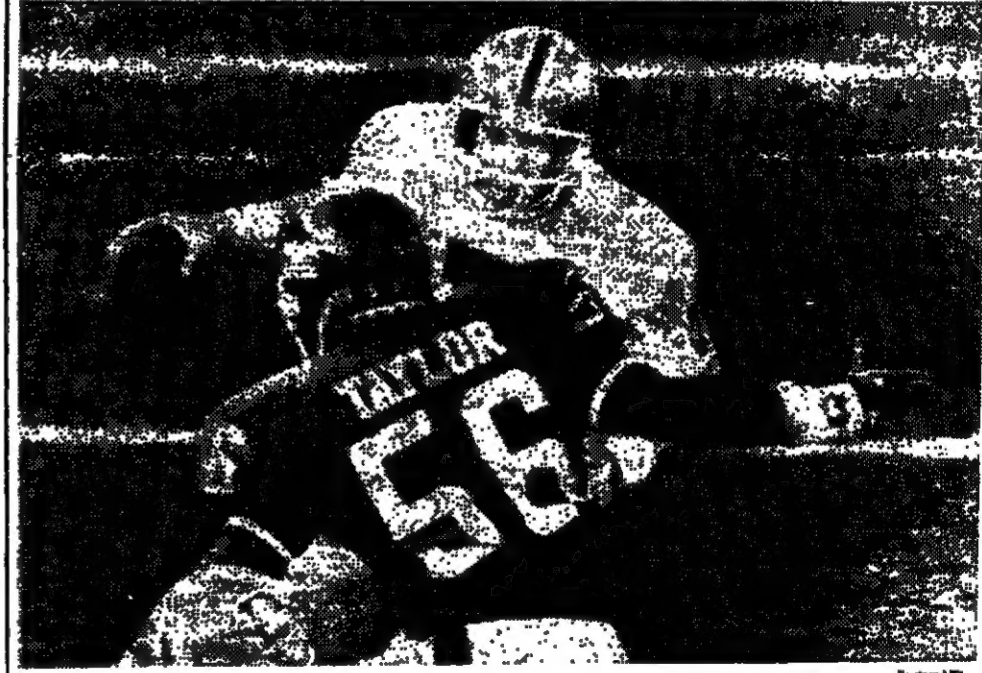
As the coalition hammers out its policies, Mr. Kohl will have to umpire between Finance Minister Gerhard Stoltenberg, a Christian Democrat who wants to hold a steady, noninflationary course, and the Free Democrats, who are pushing for a quick tax cut and other stimulative measures. This will strain a coalition already legendary for disunity.

The Christian Democrats are often described as a party organized for winning elections; they are unimpressive in such matters. There have been moments in the past four years when Mr. Kohl's leadership has been openly questioned.

Now the chancellor must lead his demoralized party into a series of tough provincial elections, starting with his home state of Rhineland-Palatinate in May and Schleswig-Holstein in September. He goes into these contests with little gratitude for Sunday's outcome.

Another source of long-term concern for Mr. Kohl, and perhaps

See BONN, Page 2



Giants Romp Over the Broncos in Super Bowl

John Elway, the quarterback for the Denver Broncos, looks in vain for a route past Lawrence Taylor, a linebacker for the New York Giants. The Giants took control in the second half and scored 30 points on their way to winning the championship of American professional football, 39-20. Page 15.

China Orders AFP Reporter to Leave

Alleges American Accepted 'Intelligence' From Protester

By Edward A. Gargan
New York Times Service

BEIJING — An American reporter working here for a French news agency was barred from China on Monday for accepting what the government called "intelligence" from a Chinese student.

The Foreign Ministry announced that it had told Agence France-Presse to transfer the journalist, Lawrence MacDonald, "as soon as possible."

Mr. MacDonald, 32, who is visiting Hong Kong, issued a statement through his agency's Beijing bureau in which he denied any illegal activity and called the charges against him "totally absurd."

The journalist has reported on China for Agence France-Presse for two years. He speaks fluent Chinese and was known to have obtained conclusive evidence of Mr. MacDonald's recent activities, which did not accord with his status as a journalist and were harmful to friendship between the Chinese and French people.

The statement said that Mr. MacDonald had "engaged in activities incompatible with his status as a journalist during protests by a small number of Chinese students."

The official Xinhua News Agency said Sunday that the State Security Bureau, which deals with espionage and the surveillance of foreigners, had arrested a student at Tsinghua University for his "secret collusion" with Mr. MacDonald.

The government has not disclosed the whereabouts of the student, Lin Jie. In at least two cases in the last eight years, Chinese citizens have been imprisoned for disclosing information to foreign reporters.

"I deny the Chinese charges against me, which are totally absurd," Mr. MacDonald said in his statement issued here.

"During my two years in China, I have never sought or received any information other than that directly related to my job as a correspondent for AFP. My actions have at all times been in accord with accepted practices of journalism."

Agence France-Presse said that the Chinese action constituted an expulsion of an accredited correspondent.

"If Mr. MacDonald cannot resume his normal activities, AFP will consider that he has been expelled," the news agency said.

In its statement Monday, the Foreign Ministry said that "the Chinese Ministry of State Security

Kennedy's New Tactic: Low-Budget Social Activism

By Robert A. Rosenblatt
and John Balzar
Los Angeles Times Service

WASHINGTON — The crowd jammed the hearing room and the television cameras focused on the senator who was talking about "the challenge of building this country, a job that is never done."

The Boston accent and the rhetoric were familiar, as were the stories of the witnesses who came forward to tell of poverty and woe on the streets of Massachusetts. Edward M. Kennedy of Massachusetts, gray-haired and heavy in middle age, was once again sounding the call of social activism.

The Democrats' regaining the Senate majority in the November elections has given Mr. Kennedy the chance to run a powerful committee for the first time in six years, and he chose the Labor and Human Resources Committee as the pulpit for his liberal gospel.

But while the social causes and Gary Hart proposed a major rise in education spending to raise literacy levels. Page 3.

emotionally charged atmosphere of the Senate hearing last week were vintage Kennedy, the message has changed.

Faced with a vigorous and self-confident conservatism and a Republican administration led by a popular president, Mr. Kennedy now is pressing for reform without big new spending and more income tax increases. First elected to the Senate in 1962, Mr. Kennedy once was the leading advocate of big government solutions to people's problems.

"I recognize the restrictions of the present budget," he says often, "and I welcome the challenge to do more within those constraints."

The theme reflects a liberal, back in power, adapting to the new austerity.

Mr. Kennedy's response to the conflict between social needs and federal deficits is a package of bills aimed at nudging the 100th Congress into a new cycle of legislative activism without a high government price tag.

For example, his "new agenda" for social progress in America proposes an increase in the minimum wage and establishing required health insurance for all American workers. Both would involve higher costs, but for business rather than government.

In contrast, Mr. Kennedy's 1979 bill proposing comprehensive national health insurance for all Americans was projected to have cost an estimated \$40 billion, \$28.6 billion of which would have been borne by the federal government.

In his approach now to dealing with society's ills, Mr. Kennedy may be catching a trend, according to a Democratic political consultant, David Doak.

"The country is more receptive, we've been seeing that in poll data for some time," Mr. Doak said. "What's happening is that Democrats are now willing to stick their heads out of the foxholes for the first time in years."

Mr. Kennedy and his supporters

See KENNEDY, Page 2



Edward M. Kennedy

U.K. Board Urges New Nuclear Unit

By Steve Lohr
New York Times Service

LONDON — A national official inquiry, begun four years ago and based on 55 tons of evidence, resulted Monday in a decision to go ahead with the construction of a new generation of nuclear power stations in Britain.

The building of American-style pressurized-water reactors to increase Britain's nuclear power capacity has long been endorsed by Prime Minister Margaret Thatcher. Her government's approval for the planned £2.3-billion nuclear station at Sizewell, on the East Anglian coast, is expected to be little more than a formality and likely to come within a few months.

But the 3,000-page report by Sir Frank Layfield, issued after Britain's longest public inquiry, was sharply attacked by Britain's anti-nuclear lobby: some trade unions and opposition parties.

The report comes at a time when many Britons are wary of nuclear power as a result of the April 1986 accident at the Chernobyl power plant in the Soviet Union and follow Britain's nuclear reprocessing plant at Sellafield, which has had repeated radioactive leaks.

Accordingly, a decision by the Conservative government for new nuclear-power development could be politically risky in a year when a general election is widely expected.

Sir Frank, a 65-year-old specialist in planning law, rendered his conclusions broad terms, after sifting through the mass of evidence and transcripts. He was skeptical of some of the assumptions made by the Central Electricity Generating Board, the government agency pushing for the pressurized-water reactor at Sizewell, such as its estimates of cost savings from the nuclear plant over oil and coal.

Yet overall, Sir Frank agreed with the board that pressurized-water reactors would be safe, efficient and necessary in light of future electrical power demands.

"In my judgment," he said, "the expected national economic benefits are sufficient to justify the risks that would be incurred."

The report expressed the safety risks, as well as other considerations, in terms of probabilities.

"It is likely that no member of the public will be killed by the Sizewell B station, either in the

See NUCLEAR, Page 2

The Illusory Reign of Henri VI

French Reflect on Royalty as They Mark a Millennium

By Richard Bernstein
New York Times Service

PARIS — If he had his way, the count of Paris, whose full name is Henri Robert Ferdinand Marie Louis-Philippe d'Orléans, head of the Orléanist branch of the French royal family and a direct descendant of French kings, would reign in France as a modern constitutional monarch called Henri VI.

The count of Paris has a forest near the Belgian border, a few inherited castles and considerable social prestige. But he has no legal power in France, which abolished the nobility and its privileges in 1886. Until 1950 all direct descendants of the families that once sat on the throne were prohibited from setting foot on French territory.

Even if he represents the last vestiges of an entirely fallen monarchy, however, the count has been in the public mind in France lately. A courtly, trim, elaborately polite man of 78, he has been giving interviews and recently published a book called "L'Avenir Dure Longue" (The Future Lasts a Long Time). His moderate pro-monarchist views are being aired in a host of magazine and newspaper articles.

The immediate reason for this attention seems to be that the French are celebrating the 1,000th anniversary of the coronation of Hugues Capet, an ancestor of the count. The anniversary is being treated as a kind of 1,000th birthday of France.

It has given rise to considerable commentary among historians and others over the identity of the French, while arousing curiosity about the gentle and somewhat anachronistic man who is one of two pretenders to Hugues' ancient throne. (The other, Alphonse, Duke of Anjou and Calce and head of the house of Bourbon, is Spanish and hence not considered as likely a candidate.)

If the French have annihilated their monarchy, they nonetheless



Henri, count of Paris.

have a residual respect for their surviving aristocrats and perhaps even a faint collective nostalgia for the idea of a king.

"The French at heart are monarchists," Hervé de Charette, a cabinet minister, said some weeks ago, not entirely seriously. "They like to prostrate themselves in front of the monarch, whom they now call president, and every seven years or so they guillotine him."

In other words, there is a deep respect in France for the presidency, some of whose style seems to have been inherited from the pomp and grandeur of the ancient court, but this respect is tempered by a strong anti-authoritarian tendency to vote against incumbents.

For some in Paris, the attention being paid to the count of Paris these days, and, more importantly, the celebration for France, marks an important stage for the French in their conception of themselves, a more complete idea of their past.

Pierre Nora, a historian who edited a small but prestigious review called *Le Debat*, argues that the supposed 1,000th birthday of

France has occasioned a new willingness among the French to look into their past more deeply and more dispassionately than ever before.

Until recent years, Mr. Nora said, the French defined themselves almost exclusively in terms of the revolution of 1789, tending to diminish the importance of the long period of monarchy before it.

The more recent inclination to look beyond the revolution "doesn't represent at all a nostalgia for the monarchy," Mr. Nora said, "but a realization that France is far more than just the country of the revolution."

Advancing this idea, Mr. Nora wrote in a recent article in the weekly magazine *Le Point* that the interest in Hugues Capet reflected an attachment to a French singularity, to the discovery of the depths reached by the national phenomenon, and to a pluralist curiosity about the richness and diversity of its expressions.

While there is little sign of any desire to put a king back on the throne, the count of Paris continues a campaign to put some spit and polish on the discredited monarchist idea. He portrays it as a kind of rallying point for the French that would stand above all political quarrels, somewhat as the British and Dutch monarchies do.

The count is unusual among French nobility in that he does try to remain on the political scene. Far more than the British nobility, the descendants of France's noble families tend to lead quiet and politically inconspicuous lives, though many hold prominent jobs in government and business. Their titles can appear on invitations or guest lists but have no legal standing.

"I carry in myself the heritage of France, which is made up in part of the 1,000 years of history of my family," the count said. "I have the responsibility to be a witness to this heritage."



Tugs Battle Tanker Fire in the English Channel

A Greek tanker carrying gasoline burned Monday off the Netherlands as tugs poured foam and water onto it. The tanker, Olympic Dream, collided in fog Sunday with a Liberian-registered bulk carrier, the August Thyssen, which was slightly damaged. The tugs later towed the tanker north across the English Channel, and authorities said the fire was under control. No one was hurt.

HOSTAGES: U.S. Expresses 'Outrage' at Kidnappings

(Continued from Page 1)

tradition, which American officials had hoped would come quickly.

■ 'Military Response' Joanne Osmang of The Washington Post reported earlier from Washington:

The chairman of the Senate Foreign Relations Committee, Claiborne Pell, said Sunday that a "military response" would be justified against kidnappers who kill U.S. hostages in Lebanon if there were "clear evidence" of responsibility.

Mr. Pell, Democrat of Rhode Island, said that the U.S. approach to kidnappers appears to be a "double policy" of "fostering negotiations while opening secret talks. This has to be sorted out," he said.

Speaking on a television program about the kidnappings of four professors Saturday at Beirut University College, the senator urged that the use of force be considered against terrorists and those who sponsor them.

Kidnappers, disguised as policemen, abducted three Americans and an Indian national who holds resident alien status in the United States.

Mr. Reagan's arms sales to Iran have contained the delivery of anti-tank and anti-aircraft missiles and spare parts to Tehran would encourage additional hostage-taking.

Mr. Reagan has contended that the military equipment was sold to Iran to win favor with moderate elements in the Iranian government, and was not a direct effort to gain the release of hostages in Lebanon.

The statement laid blame on those Americans who remained in Beirut despite warnings from the U.S. government that they should leave.

Officials said this "wob" and "realistic" approach was, in part, the result of the Iran affair.

Mr. Reagan's statement said that the U.S. has an "obligation" to help Americans who are denied their rights, but warned of the limits on that help, and added, "In particular the situation in West Beirut has deteriorated to total anarchy with armed criminal groups taking the law into their own hands."

Mr. Speaker said that some of the four professors kidnapped Saturday at Beirut University College, of whom three are Americans, were warned individually last spring by the U.S. Embassy to leave, but chose to remain.

The United States, he said, would keep open all options, including economic sanctions and military action, in response to the kidnappings, but he said military action was not under "consideration."

The United States, Mr. Speaker, said, would not close the U.S. Embassy in Beirut.

Asked about the West German decision not to quickly extradite a Lebanese hijacking suspect to the United States, Mr. Speaker said the administration would continue to work through legal channels for ex-

of responsibility for the kidnappings.

There were more details Monday regarding the abduction of the professors. Sources said the four men, disguised as policemen, said they had been sent to the campus to safeguard the foreign staff members and their families.

The professors, their wives and several other American women were called to a meeting with the supposed police experts, who told them that they were now going to act on what a real kidnapping would look and feel like.

They put handcuffs on the four men while one of the "policemen" drew his revolver, the sources said. The Americans, not realizing what was happening, were joking and laughing during the abduction.

There were no immediate claims

BEIRUT: Pair Seized by Gunmen

(Continued from Page 1)

Jesse Turner, 39; Robert Pothill, 56, and Mithileswar Singh.

The seizure of the two men on Monday brought to 12 the total number of foreigners kidnapped in West Beirut in the past two weeks.

"They are foreigners but I do not know their nationality," said a clerk in a shop who saw them being taken away. She said they spoke English.

She said the two men, in their 20s, entered the shop and appeared as if they were afraid and trying to escape from someone.

Before long, the woman said, two gunmen "came inside and each grabbed a man by their hair, stuck pistols in their stomachs and dragged them outside," she said.

There were no immediate claims

CHINA: Reporter Barred

(Continued from Page 1)

said in a statement made available through its bureau.

The reporter will be allowed to return to Beijing to pack his household belongings and ship them from China.

Mr. MacDonald is the third Western correspondent forced to leave China within three years. Tiziano Terzani, a Chinese-speaking Italian journalist working for the West German magazine *Der Spiegel*, was expelled in 1984 amid allegations of espionage and that he was never proved.

Last summer, John F. Burns, the New York Times bureau chief in Beijing, was detained for six days and then expelled after being accused of spying because of a visit to an area closed to foreigners.

There has been no comment on Monday's Foreign Ministry order from the U.S. or French embassies in Beijing.

Brandt Successor Won't Be Ran

New York Times Service

BONN — Johannes Rau, the West German Social Democrat defeated candidate for chancellor, renounced any claim Monday to succeed Willy Brandt as party chairman next year.

At a meeting of the party leadership called to examine Sunday's election results, Mr. Rau said that he intended to remain a deputy party chairman but concentrate his energies in North Rhine-Westphalia, where he is the state's premier.

Mr. Rau's statement appeared to deprive the Social Democrats' right wing of a candidate who might serve to succeed the 73-year-old Mr. Brandt, who has said that he will relinquish the chairmanship at a party congress expected to be held in the summer of 1988.

NUCLEAR: British Inquiry Panel Urges New Plant

(Continued from Page 1)

group Friends of the Earth, said, "Layfield's report appears to have been written in a different age, pre-Chernobyl and before the collapse in fossil fuel prices."

Business groups hailed the report as encouraging for Britain's depressed nuclear industry, while municipal officials in the Sizewell area started calling for government compensation for disruption to the local environment. The plant, if approved, would begin operating in the mid-1990s.

Trade unions are divided on nuclear power. Politically, the union movement is leftist on this issue and others, but the construction unions benefit from massive nuclear-plant projects.

Britain has 12 nuclear power stations, supplying about 19 percent of the country's electrical power needs. But none of these are American-style pressurized-water res-

WORLD BRIEFS

NATO Seeks Wider Troop-Cut Talks

VIENNA (Reuters) — NATO will soon invite the Warsaw Pact to take part in a new negotiating conference on reducing conventional forces across Europe, a U.S. spokesman said Monday.

Warren Zimmermann, who heads the U.S. delegation to the Conference on Security and Cooperation in Europe, said that such talks eventually would replace the Mutual and Balanced Force Reduction talks, which are limited to forces in Central Europe. Those talks have made little progress in the nearly 14 years since they began.

Mr. Zimmermann said the North Atlantic Treaty Organization would first seek talks with the Warsaw Pact on a mandate for a new conference. He said that France, which left NATO's integrated military structure in 1967 but remains a member of the alliance, had agreed to join in the proposed conference if it were linked to the Vienna conference on security and cooperation. But he said any such link would be a loose one.

Pakistani Aide to Visit India for Talks

ISLAMABAD, Pakistan (UPI) — Pakistan announced Monday that Foreign Secretary Abdul Sattar would visit India for talks on defusing tensions that have sparked new military buildups on both sides of the Indian-Pakistani border.

A government spokesman said the decision came in response to an invitation from Indian officials who on Sunday urged talks between a Pakistani envoy and India's foreign secretary, A.S. Gonsalves, to end the border dispute.

Details of Mr. Sattar's visit to New Delhi were being worked out "through diplomatic channels," the spokesman said. No date was set but the spokesman said the trip would begin soon. In New Delhi, a Foreign Ministry official said, "A secretary-level delegation is welcome here at any time."

U.S. 6th Fleet Searches for Plane Crew

NAPLES (AP) — The U.S. 6th Fleet searched Monday for seven crew members of a navy aircraft that crashed in the central Mediterranean, a U.S. Navy spokesman said.

The plane went down shortly before midnight Sunday, said the spokesman, Patricia Hooks. She said the aircraft was on a routine flight in support of 6th Fleet operations. Other details, including the type of aircraft, were not immediately available. The identities of the crew members were being withheld until relatives could be notified, she said.

The 6th Fleet ended a week of maneuvers Sunday that were described as the largest exercises in the Mediterranean in the past year.

Spanish Student Protests Continue

MADRID (Reuters) — Spanish high-school students boycotted classes and staged isolated protests Monday, a spokesman for the Students' Union said. The unrest followed violent clashes on campuses last week.

Witnesses said students obstructed traffic Monday in Madrid and demonstrated outside the Education Ministry, where talks were expected to resume with the students on demands for social benefits and easier access to universities.

The spokesman said that voting in high schools showed clear support for the union's call for Monday's one-day strike to demand the resignation of Interior Minister José Barrionuevo Peña. The call followed clashes in Madrid with the police in which 24 persons were injured.



British telephone repairmen picketing Monday in London.

U.K. Phone Repairmen Go on Strike

LONDON (UPI) — Britain's 110,000 telephone repairmen claimed "almost 100-percent support" Monday for their nationwide strike over pay and working conditions but British Telecom, the telephone utility, reported no major problems.

A spokesman for the strike organizers, the National Communications Union, said, "There is almost 100-percent support for the strike and in addition some 7,000 clerical workers refused to cross picket lines." But a Telecom spokesman said: "The telephone network is pretty resilient. We are confident that we can manage to maintain an adequate service for some considerable time."

No major problems were reported in London's financial district, where stockbrokers and finance houses rely on computerized trading data transmitted by special telephone lines. About 34,000 telephone executives are expected to work repairing major breakdowns, servicing major customers and maintaining emergency services.

Uganda Leader Vows to Crush Rebels

KAMPALA, Uganda (Reuters) — President Yoweri Museveni pledged Monday to crush anti-government rebels and revive production in the country's shattered economy.

Addressing a military parade to celebrate the first anniversary of his assumption of power, Mr. Museveni repeated his pledge to wipe out rebel guerrillas in the north within five months.

For the Record

President Ronald Reagan will visit Italy in June immediately before a summit meeting of the Group of Seven industrialized nations in Venice June 8-10, diplomatic sources said Monday. He is expected to meet with Pope John Paul II as well as Italian leaders.

The London offices of The New Statesman were searched Monday for the second day by the police in an attempt to trace the source of its revelation that Britain planned to launch a spy satellite over the Soviet Union.

Corrections

The painter of "La rue Mosnier aux Pavures," was misidentified in the Saturday-Sunday editions. The artist was Edouard Manet.

The intended recipient of the secret Philippine document that was displayed at a press conference by Communist rebel representatives was misidentified in the Saturday-Sunday editions. The document originated with the military chief of staff, General Fidel V. Ramos, and had been destined for Jolito Arroyo, the government executive secretary.

MANILA: Aquino Allows 20,000 to March on Palace

(Continued from Page 1)

decision to let the marchers through.

As the march ended, members of Mrs. Aquino's cabinet, deputy ministers and presidential aides linked arms with the protesters in what they described as a gesture of reconciliation and peace.

Leaders of the left, which military sources say is heavily infiltrated by the Communist Party of the Philippines and members of its guerrilla army, were exultant Monday. They claimed to have scored a major propaganda victory over the government and armed forces as the nation prepares to vote on a new constitution Feb. 2.

TAPES: Tapping Alleged

(Continued from Page 1)

and a transcript, were released by a former legislator, Homobono Adaza, an opposition figure who has sought to embarrass Mrs. Aquino as the plebeian on the draft constitution news.

On Monday night Mr. Adaza called the presidential palace's explanation "ridiculous." The controversy threatened to widen as he promised to release more tapes, which he said were "somewhere in a vault in Manila."

The next tapes scheduled for release, according to several sources who have heard it or heard about it, involves a close relative of Mrs. Aquino's discussing the Moslem rebel situation with a high-ranking official at the U.S. Embassy in Manila.

Mr. Arroyo, in his remarks Monday, left open the question of whether the tapping was still going on. The conversation between the Aquino relative and the embassy officer apparently took place about three weeks ago, the sources said.

Diplomats and other sources said they believed the former president, Ferdinand E. Marcos, left behind remnants of an extensive wiretapping system aimed at his political enemies, most of whom are now in government.

Military officers have denied making the tapes. Mr. Adaza says he did not obtain his copies from military sources.

Mr. Arroyo and other aides said they were considering legal action against those responsible for the tapping and for the distribution of copies to the media.

KENNEDY: Low-Budget Activism

(Continued from Page 1)

say they intend to press the minimum wage debate not in the Great Society terms of the Johnson era of the 1960s, but in the contemporary language of the Reagan era by insisting that jobs should pay enough to give workers enough buying power to keep the economy healthy.

A worker can be employed full-time at the minimum wage of \$3.35 an hour and still fall far below the current federal poverty standard of about \$11,100 a year for a family of four, according to Mr. Kennedy. He will push for an increase, possibly to \$4.50 an hour.

Mr. Kennedy portrays his health insurance program as a similar protection for workers. An estimated 37 million Americans do not have health insurance coverage. Under the Kennedy plan, all employers would be required to provide medical insurance for full-time workers.

Both the higher minimum wage and basic health insurance are tailored to the contemporary political climate and Mr. Kennedy's new posture, his supporters say.

The proposals, according to a Kennedy staff member, are "two programs that don't cost the federal government a nickel, that don't involve hiring a single bureaucrat, but with tremendous benefits."

Nevertheless, the administration is skeptical about raising the cost of doing business, and companies likely to be affected — primarily small and medium-size enterprises

BONN: Kohl's Victory

(Continued from Page 1)

for some of his allies in the North Atlantic Treaty Organization, is the configuration of the West German left. The pacifist Greens party, which wants to pull the country out of NATO, drew an impressive 8.3 percent of the vote Sunday, extending its reach out of the big cities and into the rural areas.

Together, the Greens and the left-of-center Social Democrats held 45.3 percent of the electorate, a potential bloc that has room for growth considering that the Social Democrats had their worst result since 1961.

The drama of the West German left is likely to turn on attempts by some Social Democrats and the so-called realistic wing of the Greens to move toward a national alliance to fight the 1991 elections together.

Oskar Lafontaine, the up-and-coming Social Democratic premier of the Saarland, held a news conference Monday in Bonn and urged his party to open itself to the Greens.

Four years ago, veteran politicians predicted that the Greens were a flash in the pan and would be eliminated from the Bundestag in 1987. But local elections have entrenched Green activists across the country, and they often form controlling alliances with Social Democrats; a coalition of the two parties governs Hesse State.

Unless the Free Democrats demonstrate an unlikely readiness to desert their current coalition partners, the only option for the Social Democrats to come to power in 1991 may be to contemplate a national coalition with the Greens.

Both in 1983 and on Sunday, West German voters showed they were not tempted by the adventure of a "red-green" coalition. Yet as the Greens blend into the West German political landscape, it is impossible to say how adventurous such an alliance will appear to the voters in 1991.

MANILA: Aquino Allows 20,000 to March on Palace

(Continued from Page 1)

Government officials disagreed. Aquilino Pimentel, a presidential adviser with the rank of minister, said Mrs. Aquino's decision to meet with the marchers and allow them to protest in front of the palace could not be interpreted as a sign of weakness.

"It is a sign of flexibility," he said, adding, "This could never have happened under Marcos."

Leon Alejandro, an organizer of the march, said the developments Monday were "the most important victory so far for the people's movement since February."

He was referring to the ousting of Mrs. Aquino's predecessor, Ferdinand E. Marcos, who fled to Hawaii after a military revolt and popular uprising.

Mrs. Aquino came into office promising land reform, but progress has been slow because of the complexity and cost of a large-scale program to buy land and turn it over to tenants and laborers.

Cardinal Jaime L. Sin, the Roman Catholic archbishop of Manila, said Sunday that the government's failure to press ahead with land reform was "in great measure" responsible for the violence Thursday.

Officials said Monday that the government was likely to intensify efforts at land reform, and some aides hinted that Mrs. Aquino

BONN: Kohl's Victory

(Continued from Page 1)

Secretary of Labor William E. Brock, speaking for the Reagan administration, has asserted that the government instead should concentrate on job training and literacy campaigns to help workers earn "a hell of a lot more" than the minimum wage. And key Democrats are skeptical of any ambitious legislative effort in health insurance.

But it is for the opportunity to champion such social programs that Mr. Kennedy — who had the option of running the powerful Judiciary Committee — chose Labor and Human Resources, with its wide sweep over health, labor and education issues.

After making his decision, he said, "Above all, we can halt the shameful recent trend of neglect for the needy in our society and those who have the least."

In addition to the basic minimum wage and insurance programs, the Kennedy legislative package has a hint of middle-class relief.

To help alleviate the shortage of science and mathematics teachers, Mr. Kennedy will propose what he calls "star schools," named specifically to contrast with the president's "star wars" defense program. Space satellites would beam courses from schools with excellent and expert teachers to poor schools with shortages of skilled faculty.

Other proposals being drafted include federally guaranteed job loans — similar to the successful student loan programs — for workers who take training and education courses, and a proposal to give states financial incentives for each welfare recipient who gets a job.

Visiting New York City?

Gramercy Park Hotel

Distinguished 500 room hotel with excellent Restaurant, Cocktail Lounge, Room Service and Piano Bar. Overlooking Gramercy Park with newly decorated rooms.

Singles \$90-100
Doubles \$95-105
Suites \$125-200
Group rates and attractive monthly rates available.

Call Gen. Mgr. Tom O'Brien (212) 475-4320
Telex 668-755
Cable GRAMPARK

21st St. and Lexington Ave. New York, NY, USA 10010 or call your local Uteff office.

UNIVERSITY DEGREE

BACHELOR'S • MASTER'S • DOCTORATE
For Work, Academic, Life Experiences.
Send detailed resume for free evaluation.

PACIFIC WESTERN UNIVERSITY
600 N. Sepulveda Blvd.
Los Angeles, California
90049 Dept. 22, U.S.A.

BUSINESS MISSES FROM YELLOW PAGES IN U.S.A.

Send a List of Missing Leads for any Yellow Page Company in U.S.A. & 70% Receive our Complete Catalog by Air Mail. Please Send \$10.00 U.S. to: American Business Leads, Inc. P.O. Box 3745, Dept. 1087, Phoenix, AZ 85061, U.S.A. Tel: 602-954-0000

Poverty — and Militancy — Among Blacks Is Increasing in U.S. Cities, Studies Show

By John Herbers

TOLEDO, Ohio — When the Reverend H.V. Savage established his Kitchen for the Poor in 1969, he envisioned the free food center in the heart of Toledo's black district as a temporary measure until economic gains took root from civil rights laws and government anti-poverty programs.

Almost two decades later, Mr. Savage, surrounded the other day by a crowd of volunteers, and street people waiting for a meal, acknowledged that many Toledo blacks had moved up the economic ladder and out of poor neighborhoods. But he said that black poverty had spread nevertheless, both in numbers and in the areas in which it is concentrated.

"It is worse, not better," he said, an opinion echoed by many white and black leaders and substantiated by census figures in Toledo, an industrial city that, like many others, is struggling to adjust to a service economy.

A new study, based on census figures for 1970 and 1980 and later surveys, found that the nation's largest cities have a growing concentration of blacks living in poverty. While the overall rate of poverty in the nation increased slightly in those years, to about 13 percent in 1980, the number of people in poverty in the 50 cities jumped 11.7 percent at a time when the cities were losing population.

"All in all, the picture is grim," said Richard P. Nathan,

a professor at Princeton University, who conducted the study.

"Urban problems are getting worse at precisely the time the nation is doing less about them," said Mr. Nathan, who was a top official in the Nixon administration and later headed studies on the fiscal crises of cities and the effects of the Reagan administration's budget cuts.

Concentrated black poverty in large cities has become a central concern of many political scientists, who see the increasing isolation of the poor as perpetuating the cycle of unemployment, broken families, teen-age pregnancy, crime and drug use.

Whites fear that black poverty may spread into their areas, and they react in irrational ways, the experts say. As a result, black militancy has increased until, in some communities, it is said to be at its highest since the urban riots of the 1960s and early 1970s.

Mr. Nathan began his study by comparing 1970 and 1980 census figures from the nation's 50 largest cities, which usually have the largest concentrations of poverty.

The Census Bureau lists as poverty areas those in which 20 percent or more of the population is below the poverty line as defined by the federal government. Extreme poverty areas are those where 40 percent or more of the people are below the poverty line. In 1980, the government's official poverty level for a family of four was \$8,414.

In 1980 the total population of the 50 cities was 37,815,907, a decline of 5 percent over the 10-year period.

But the overall population for the 50 cities with income below the poverty level increased in the decade despite the population loss. It rose 11.7 percent, to 6,708,464.

The number of poor whites, however, declined 18 percent, to 2,629,498, while the number of poor blacks rose 18 percent, to 3,140,292, over the same 10 years.

The cities became both blacker and poorer, with the

'Urban problems are getting worse at precisely the time the nation is doing less about them.'

— Richard P. Nathan,
Princeton professor

blacks falling deeper into poverty while whites rose from poverty at the same rate, the study showed.

That, however, does not tell the extent of the concentration of poverty.

Poor whites living in poverty areas declined 5 percent over the decade, to 1,106,166, but the number of poor blacks living in poverty areas rose 23 percent. In 1980, 84 percent of poor blacks lived in poverty areas, as against 47 percent of poor whites.

In 1980, Census Bureau figures show that the overall poverty rate for the country was at about 11 percent while it was 32 percent for blacks, 25 percent for Hispanics and 10 percent for whites.

Census Bureau surveys show that the number of poor blacks living in poverty areas of 243 cities continued to increase through 1983, even as those cities continued to lose population to the suburbs.

Information obtained from census surveys of 1985 by John D. Kasarda, chairman of the sociology department at the University of North Carolina at Chapel Hill, shows that although some of the larger cities had stemmed their overall population losses, the number of whites continued to decline as blacks increased.

It is largely the poor blacks whose numbers are increasing; middle-class blacks have joined whites in many areas in moving to the suburbs, studies have shown.

The studies also have shown that the economic revival of central cities has been of little benefit to the poor, except for people with low-paying service jobs, such as hotel maids and fast-food clerks.

And blacks, who were beginning to improve their income a few years ago through industrial jobs, have been particularly hurt by the general trend to lower wages in the new service economy.

The better-paying central city jobs have gone increasingly to people living in the suburbs or in expensive inner-city housing, the studies show.

In 1980, Toledo had a population of 354,000, of whom 61,000 were blacks. Most of them settled in the city in the 1940s and 1950s, moving from farms in Mississippi and Alabama to take jobs in what was then a booming industrial area where a person without training could walk to a factory job.

All that has changed for blacks and whites over the last few years as plant after plant has closed. The city is now rebuilding its downtown around new office buildings, a convention center, hotels and shops on the Maumee River, which opens into Lake Erie below Detroit, making Toledo a major shipping port with an attractive waterfront.

But the city is living under fear that its largest manufacturer, the Jeep Corp., which employs 6,000 people, will close as it has threatened to do in a war of nerves with the United Automobile Workers.

Like most cities, Toledo has experienced civil rights advances, from fair housing efforts that have opened new neighborhoods for minority people to the entry of blacks into business and politics.

But growth of black poverty areas and confinement of most blacks within a few square miles of the city south of downtown has created tensions.

Recently a white man, Kirk R. Taberner, 27, was sentenced to nine to 15 years in prison for firing a shotgun into the home of a black family that moved into a white neighborhood. He said his motive had been to "send a little message" to blacks.

After 'Worst 60 Days,' Reagan to Address U.S.

By David Hoffman and Lou Cannon

Washington Post Service

WASHINGTON — President Ronald Reagan goes before Congress and the nation Tuesday for his sixth State of the Union address after a period that one adviser calls "the worst 60 days of his presidency."

Mr. Reagan begins the final phase of his presidency without solutions to the major unfinished items of his term: arms control and the deficit.

His primary objective in the speech is to address the growing perception that his presidency has been impaired by the Iran-contra affair and that he has grown too old, too out of touch and too dependent on his aides, according to senior White House officials and intimates of the president.

"It is a very significant speech, probably as important as any he has ever made," said former Senator Paul Laxalt of Nevada, a longtime friend of Mr. Reagan. "The intangibles are as important as the substance."

The speech comes at a time of extraordinary internal tension and drift at the White House.

The Iran affair has diverted the attention of senior officials since the arms sales to Tehran were disclosed in November. Mr. Reagan has been isolated from the public and from most of his staff during three weeks of recuperation from prostate surgery, his meetings limited to no more than 20 minutes.

"The missing character is the president," said a senior aide. Mr. Reagan's schedule is not expected to return to normal until mid-February, the aide said.

On Iran and other topics, the administration has been displaying open confusion.

Last week, the president's national security adviser, Frank C. Carchedi, and the White House chief of staff, Donald T. Regan, privately expressed anger with a public campaign by Defense Secretary Casper W. Weinberger for the early deployment of the Strategic Defense Initiative.

A senior official said that Mr. Weinberger was "free-lancing" his views without authorization from the president.

White House officials gave contradictory accounts of how closely Mr. Reagan had discussed the Iran controversy with senior aides, and there was private second-guessing of a speech by Vice President George Bush saying that Mr. Reagan remains convinced that he did not trade arms for hostages.

In another example of confusing statements, White House officials said no search was under way to replace William J. Casey as director of central intelligence, but then they acknowledged that Mr. Reagan and the president had talked to Howard H. Baker Jr., the former Republican senator from Tennessee, about taking the post.

Mr. Casey is recovering from brain surgery.

As the State of the Union address neared, White House officials had not agreed on one possible policy initiative in the address, a plan to provide insurance for "catastrophic" illnesses and injuries.

In November, the Department of Health and Human Services proposed an expansion of the Medicare health care program to provide unlimited hospital and medical coverage to program recipients. Reaction to the proposal among Reagan advisers has been mixed.

Referring to the Iran affair and other problems, one Reagan adviser

or said: "We've survived the worst 60 days of the Reagan presidency. Now the president has to demonstrate that he still has an agenda by advocating some specifics."

But by most accounts, Mr. Reagan will not give specifics in the address. The president said Saturday that he plans to promote once again his space defense program and administration support for the Nicaraguan contras, both staples of his agenda for years.

In addition, he said he would announce jobs and education programs aimed at improving the competitiveness of the United States.

White House officials said they viewed the central mission of the address as a demonstration that Mr. Reagan has not lost his vitality.

"The president must look good and sound strong," said a White House official. "The way he comes across in the living room is really the most important thing for him."

Mr. Reagan's advisers are mindful that an increasing number of Americans believe that Mr. Reagan, who will be 76 on Feb. 6, is losing touch with their concerns.

A Washington Post-AEC Poll last week showed that 69 percent of Americans think Mr. Reagan's advisers make most of the important decisions, that 56 percent think the country is going in the wrong direction and that 40 percent think Mr. Reagan is too old to be president.

Richard B. Wirthlin, the presidential pollster, said the speech "will challenge the president" as few speeches have.

He noted that it was the first time Mr. Reagan would address a Congress in which both houses were controlled by the Democrats, adding, "Iran does cast somewhat of a shadow over his presidency."

Mr. Wirthlin also said that "the most difficult two years for a president are the last two of his second term."

The coming two years promise to be especially difficult for Mr. Reagan because of a sharp decline in his credibility.

Mr. Reagan may attempt to address this issue by going further than before in acknowledging responsibility for the Iran arms sales, White House officials said.

The White House has been caught in a flurry of firefighting over the tone of the Tuesday address, officials said. Three camps have been seeking dominance: one led by a Reagan deputy, Dennis Thomas, one led by the speechwriting chief, Anthony Dolan, and the third represented by a speechwriter, Kenneth L. Khachigian, with whom Mr. Reagan met over the weekend to work on the speech.

"The drafts are 'proliferating like rabbits,'" said a White House official on Friday. "If it weren't so late in the game, it would be funny."



Orlando Luna, a Border Patrol officer, using an infrared telescope to find illegal aliens.

U.S. Border Patrol Sees a Drying Up Of Jobs as Way to Curb Illegal Aliens

The Associated Press

WASHINGTON — The first sensor will tell the U.S. Border Patrol that illegal aliens have likely crossed into the United States. The second may give an indication of their route. The third may tell exactly which road they are going to take.

Their pictures may appear on a television monitor.

Hundreds of these sophisticated sensors, including some that trigger television cameras, are part of the Border Patrol's high-technology fight against illegal aliens as the new U.S. immigration law takes hold.

But the chief of the agency, Hugh J. Brian, said that all the state-of-the-art equipment that money can buy will not stop illegal immigration if undocumented workers can still get jobs in the United States.

The immigration law signed by President Ronald Reagan on Nov. 6 is based on the theory that illegal border crossings will slow down when jobs dry up.

Beginning June 1, employers hiring illegal aliens will be subject to heavy fines if they knew that any of their workers hired after Nov. 6 were ineligible for employment in the United States. For the first year of the program, employers will be warned for the first offense.

"Even if we had people arm to arm on the border, unless we reduce the magnet, they're still going to come for the economics," Mr. Brian said, referring to the ease with which illegal aliens have been

hired in the United States until now.

Mr. Brian added: "We believe if we can cut off that magnet, the numbers would diminish. If there were no jobs, the magnet drawing them up here would diminish."

Officials say they do not know why yet, but illegal crossings at the U.S.-Mexico border have declined steadily in the 11 weeks since the law was signed.

Border Patrol statistics measure illegal crossings by comparing apprehensions with captures at the equivalent time a year earlier, a process that permits seasonal factors to be taken into account.

Apprehensions were down 17.5 percent in November, 24.8 percent in December and 29.6 percent for the week of Jan. 4-10, the last for which figures are available. The numbers have been down every week since the bill was signed, compared with a year earlier. In the 1986 fiscal year, 1.6 million illegal aliens were caught at the border.

In contrast to the recent numbers, the October figures show that captures increased 29.2 percent for the month before the bill became law.

The decline came about even after additional Border Patrol agents were reassigned to border areas. The extra manpower became available when the new law prohibited officers from entering open fields on private property without a warrant or the owner's permission.

Heavy rains may have caused some of the drop, but it also is possible that people have heard

that it is now illegal to hire undocumented workers, Mr. Brian said.

"There's a seasonal decline at this time," he said. "The Rio Grande is pretty high. But our perception is there was some apprehension, a kind of wait-and-see attitude" following passage of the new law.

The Border Patrol covers a 2,000-mile (3,200-kilometer) area on the southern border, stretching from Brownsville, Texas, to San Diego.

When one of the sensors is tripped, it is registered on a computer. Some of the sensors trigger television cameras that can operate in low light.

"It's a game of cat and mouse," Mr. Brian said, that still allows one or two illegal aliens to get through for every one caught.

The chief said the patrol hopes to buy five helicopters with infrared night scopes to go along with the agency's 40 fixed-wing aircraft. He hopes to buy 10 all-terrain vehicles with infrared night telescopes to complement the single truck now in use with the equipment.

The new law also orders a 50-percent increase in Border Patrol personnel. The current force of 3,240 agents is to increase by 1,050 over the next two years. Nearly 90 percent of the officers are on the southern border.

Instead of averaging one agent for every eight miles of border, the number will drop to one for every five miles when the manpower is increased.

Hart Campaign Urges a Sharp Rise In Funds to Improve Literacy Levels

The Associated Press

WASHINGTON — Gary Hart, who is expected to again seek the Democratic nomination for the presidency, has issued a policy statement on education that calls for competency tests for all school teachers, a longer school year and sharp increases in federal spending on education.

The former senator from Colorado proposed a \$10 fee on each barrel of imported oil to help pay for a multibillion-dollar program intended to elevate literacy levels and improve an education system he said was "racing toward obsolescence."

Mr. Hart had been scheduled to release his education plan Monday in a speech at the University of Virginia in Charlottesville. But after a snowstorm swept the mid-Atlantic states, the speech was postponed until Tuesday.

His campaign office in Washington released the text of the speech in advance. Mr. Hart is widely viewed as the leading candidate for the Democratic presidential nomination next year.

Education, Mr. Hart said in the text, was "the key to unlock the 21st century for America."

He said his program would:

- Renew "the rewards and the challenges to teachers."
- Make "training and retraining as available to adults as public education is to their children."
- Provide comprehensive education and support for children living in poverty.

• Challenge "all Americans to join in a campaign to combat illiteracy."

Aides said Mr. Hart had been preparing the speech for months.

Mr. Hart, who was criticized during the 1984 presidential campaign for lacking substance, delivered a series of foreign policy lectures last June at Georgetown University in Washington.

The education speech mixed liberal and conservative approaches to remedying what Mr. Hart depicted as a lackluster public education system.

He continued to advocate major increases in school aid and training. He reiterated his support for a bill he introduced in April with Senator Lawton Chiles, Democrat of Florida, to provide \$17 billion more for science, education, training and trade promotion over three years. And he called for efforts to increase parents' choice of public schools for their children.

But in embracing the idea of choice and calling for competency tests for all teachers, Mr. Hart was sounding themes likely to anger teachers unions and other parts of the public school establishment.

A third of entering college freshmen read below a seventh-grade level, Mr. Hart said, and 50 percent of high school graduates "are scientifically and technologically illiterate."

"We pay for it as 11 million Americans are turned out of work by our huge losses in trade," he said.

President Ronald Reagan, he said, had "impoverished" the nation's security by cutting spending on education, including his current proposal to cut \$5 billion from the Education Department's budget of \$19 billion.

Teachers, Mr. Hart continued, should have their salaries increased and should be given more control over curriculum and discipline.

"Teacher overload must be relieved," he said. "Student-teacher ratios must be decreased, school days rearranged and school years lengthened."

Mr. Hart called for "peer-designed competency tests for all teachers, stressing language skills" and "in-classroom evaluation of starting teachers."

Educational programs to help poor children of preschool age should be expanded, he said.

Illiteracy could be dramatically reduced without a big rise in federal spending, Mr. Hart said. All college students each volunteered 10 hours a month to the cause.

Students should be encouraged to major in engineering and to study foreign languages, he said, and he renewed a call for more joint initiatives between universities and industry.

He also renewed his support for an American Defense Education Act that would pour several billion dollars a year into the schools.

These initiatives, he said, could be paid for with the import fees or other revenues from sources such as "cutting waste from untargeted agriculture programs" and killing "redundant and ineffective Pentagon weapons systems."



Gary Hart

General Strike Slows Argentina

Reuters

BUENOS AIRES — Labor unions shut down industry, transport and commerce Monday in a one-day general strike aimed at forcing President Raul Alfonsin to drop his economic reform program.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

The General Labor Confederation has staged seven other general strikes since 1983, when Mr. Alfonsin took office from a military government. The strikes have aimed to force him to drop an economic reform program that has lowered the annual inflation rate to 80 percent from about 1,200 percent.

Police sources said there was almost no economic activity in the industrial belt around Buenos Aires, and most public transport was not running. The leader of the railroad union, Raul Ravit, called the strike a success.

Israel Chides Reporter in U.S. Over Report on Iran Affair

The Associated Press

TEL AVIV — The Israel Broadcasting Association has decided to reprimand but not recall Israel Radio's Washington correspondent for his reporting on the Iran arms affair, a spokeswoman said Monday.

Shimon Shifter was reprimanded by the association's director-general, Uri Porat, and was forbidden to give interviews or lectures, or to publish newspaper articles or books, for the rest of his time in Washington, said the association's spokeswoman, Ariella Raviv.

She said that Mr. Shifter was told that his two-year posting would not be extended an extra

year as is customary and also was warned that if he violated regulations again he would be recalled.

Earlier this month, Mr. Shifter was interviewed by NBC and CBS television and said it appeared that Israel had initiated the idea to ship U.S. arms from Israel to Iran.

Ms. Raviv said that Mr. Shifter had apologized and had said his command of English was not good enough for him to be able to comment on such a sensitive subject.

Mr. Shifter served as Israel Radio's political correspondent before he was sent to Washington six months ago for a two-year posting.

ESORTS & GUIDES

INTERNATIONAL ESCORT SERVICE

USA & WORLDWIDE
Head office in New York
330 W. 56th St. N.Y.C. 10019 USA
212-765-7896
212-765-7754

MAJOR CREDIT CARDS AND CHECKS ACCEPTED
Private Memberships Available

LONDON
Portman Escort Agency
67 Clarendon Street,
London W1
Tel: 484 5779/486 1158
All major credit cards accepted

LONDON KENSINGTON
Chelsea Escort Service
51 Beaufort Road, London SW5
Tel: 01 584 6512/29 (4-12 pm)
All major credit cards accepted

LONDON BELGRAVIA
Escort Services
Tel: 736 5877

ARISTOCATS
London Escort Service
128 Wigmore St., London W1
Tel: 01 584 6512/29 (4-12 pm)
All major credit cards accepted

LONDON BELGRAVIA
Escort Services
Tel: 736 5877

ARISTOCATS
London Escort Service
128 Wigmore St., London W1
Tel: 01 584 6512/29 (4-12 pm)
All major credit cards accepted

Herald Tribune

Genscher's Line Prevails

West German voters have come out resoundingly for a continuation of the steady, unemotional policies of Foreign Minister Hans-Dietrich Genscher. Europeans and Americans who are forever afraid that the Germans may make a shambles of the existing political, strategic and economic world order by turning rightward into aggressive nationalism or leftward into pacifism and neutrality are once more breathing easier.

The victory of the ruling coalition of Christian Democrats and Free Democrats was assured and the debate between government and opposition had largely lacked interest. Since the Social Democrats had no chance of winning, their vaguely defined emphasis on greater independence from the United States and on more détente had become irrelevant. That made the personal duel between Mr. Genscher and the rightist Franz Josef Strauss the central event of the campaign, and the only one providing any suspense.

Mr. Strauss is nothing if not flamboyant in speech. He campaigned for a mandate to replace Mr. Genscher. He and his Bavarian lieutenants sketched out more aggressive positions in relations with East Germany and the Soviet Union and a more assertive attitude toward Washing-

ton on issues of arms control. He differed with West German policies on the Middle East and NATO and with European decisions concerning South Africa.

In fairness to Mr. Strauss, it must be added that his words are often more extreme than his actions. During the campaign for the last national election in 1983 he talked very tough about détente and East Germany. A few weeks later he became the chief advocate of a government guarantee for a huge loan to East Germany by West German banks.

The stir that he created in the just concluded campaign had to do with national mood and attitudes rather than with policies. He appealed to what he thought was growing nationalist sentiment on the right. He stoked emotional rallies with exhortations to Germans to leave guilt feelings behind, step "out of the shadow of the Third Reich" and assert their pride in being Germans. Chancellor Helmut Kohl, afraid to lose votes on the right, also struck a more nationalistic note, only to soften it when surveys began to show that Mr. Strauss might be frightening many voters. That finding of the surveys was right. And this, it might be said, is welcome news to many.

INTERNATIONAL HERALD TRIBUNE.

Wages and Competition

One enduring theme whenever the U.S. Congress takes up trade legislation is the unfairness of competition with low wages abroad. But it is no longer a case of high-wage America confronting low wages everywhere else. The drop in the dollar's exchange rate has changed that pattern dramatically. Among America's most powerful competitors, industrial pay scales are at least close to the American level and in several cases are now higher.

In West Germany, production workers' total compensation — including all the fringes, which in most of Europe are very substantial — is now running about 20 percent higher than in the United States. Compensation in Belgium and the Netherlands is about 10 percent higher. Two years ago, production workers' pay in Japan was half the U.S. level. Currently it is around 80 percent. The Japanese still hold an advantage, but no longer a very large one.

It remains true that wages are extremely low in the newly industrializing countries that have become formidable exporters. In Brazil, Taiwan and South Korea, industrial wages are hardly more than a tenth of the American average. But that is not likely to

be permanent. As countries climb up the ladder of technology, wages usually rise rapidly. The idea that Taiwan will drag American wages down is absurd. Competition with larger and richer economies will draw the Pacific exporters up toward the wage levels of the industrial world, as it is doing in the case of Japan.

Low wages alone are not a crucial advantage in world trade. Britain now has the lowest hourly labor costs for production workers of any of the major industrial countries — about a third lower than Italy, for example. But among the industrial countries Britain is running a trade deficit second only to that of the United States.

Wages are an important element in world competition, but far from the most important element. Wage costs are usually outweighed by education, vocational skill, industrial experience and intangibles such as technological imagination and attitudes toward work. That is how America has maintained its high wages throughout this century, and if American wages slip downward those are the places to look for remedies. The fault will not lie with the foreigners.

—THE WASHINGTON POST.

Controls Out of Control

In March 1983 an American company won an order to sell an advanced medical spectrometer to Eastern Europe but had to wait 910 days for an export license. The Pentagon feared, needlessly, that one computer chip and hard disk drive in the machine might be of military help to the Russians. The story illustrates how bizarrely the government's system for keeping high tech exports out of Soviet military hands works. It is fine in principle, but because of the failure to hold Pentagon interests in proportion the administration has let it become a monster that swallows jobs and profits.

The Pentagon-inspired system involves federal licensing of civilian technology that might help the Russians. It has come to encompass 40 percent of all non-military manufactured goods exported from America. Most go to other Western countries and include many low tech products. The net effect is to cost American companies some \$9 billion a year in lost exports.

With the trade deficit already too large, who needs this? It used to be easy to keep tabs on advanced technology. The Pentagon almost owned it, through far-reaching sponsorship of the infant semi-conductor industry. Now bloated design teams take years to bring out new weapons, guaranteeing aged technology. Civilian technology often leads, and is rapidly diffusing abroad.

Control is worth attempting because the Soviet Union, despite fine scientists and heavy investment, lags five to 10 years behind most civilian technologies with military application, and the gap shows no sign of closing. But the present licensing system is not working. That judgment has now

been affirmed by a National Academy of Sciences panel that includes two former directors of the National Security Agency. The panel notes that half the companies interviewed reported lost sales.

Allies resent the extension of U.S. law to their countries in controlling re-export of products with American components. Congress, the panel recalls, intended the Commerce Department to run the system, with advice from the Defense Department. But without supervision from the White House, Defense has taken the lead.

The Pentagon says it is unable to find much evidence of lost sales, and that its program has thwarted the usual Soviet tech-importing cycle, driving the Russians to the more difficult route of espionage and theft. It is true that the licensing system has closed important gaps, like the sale of whole factories to the Soviet Union. But it has grown far too restrictive.

The necessary reforms are obvious: Concentrate on protecting only the most critical technologies, like machinery for making advanced computer chips or for processing specialized metals. Avoid offending allied partners in the present licensing system. Stop undermining what the system is designed to protect: a healthy and innovative civilian technology on which Pentagon weapons can be based. The Commerce Department lacks the muscle to stand up to the Pentagon unless the White House weighs in. That is the National Security Council's job. It needs to act before the Pentagon's red-tape tentacles choke off still more innocuous innovation and trade.

—THE NEW YORK TIMES.

Other Comment

Superhype + Some Football

Sport evokes something deep in the human spirit — a competitive and frequently gracious quality. It seems to be almost as old as the species. Pop psychologists, who have an explanation for everything, say that contact sport is how people subliminate the bloodthirstiness that led to tribal war.

If so, hallelujah, of course. Sport is not only less murderous but also cheaper. Like its other exaggerations, the Superbowl boasts with some justice about its conspicuous waste, from corporate jets and caviar vats to megabuck television commercials. But the \$2.5 billion that television

pays to celebrate professional football is less than Cap Weinberger spills from the Pentagon's petty-cash drawer.

What is weird about this midwinter Mardi Gras is not so much its nominal excuse, a football game, as its narcissism. Superbowl hysteria, like sure other massive emotional tub thumpings as a World Series or a re-naming of the Statue of Liberty, seems to celebrate the rite of celebration.

The problem is not overemphasis of a sport I used to like to play on school yards and still enjoy watching. It is the overemphasis itself. That is reaching a point where the only thing left to hype is hype itself.

—Syndicated columnist Jim Fain.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, Chairman 1986-1987

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUBNER, Publisher

PHILIP FOISIE, Executive Editor • WALTER WELLS, Editor • SAMUEL ABT, KATHERINE KNORR, and CHARLES MITCHELLMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Page

RENE BONDY, Deputy Publisher • ALAIN LECOUR, and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISON, Circulation Director • ROLF D. KRANFEL, Advertising Sales Director

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France.
Tel.: (1) 46.37.93.00. Telex: Adverhine, 613595; Ceralatin, 612832; Editorial, 612718; Production, 630698.

Directeur de la publication: Walter N. Thayer.

Editor for Asia: Michael Richardson, 5 Conventry Rd., Singapore 0511. Tel: 747-7168. Telex: 958503.
Managing Dir. Asia: Malcolm Glen, 50 Gloucester Road, Hong Kong. Tel: 5-861016. Telex: 61170.
Managing Dir. U.K.: Robin Mackintosh, 63 Long Acre, London WC2E. Tel: 836-4802. Telex: 260200.
Gen. Mgr. W. Germany: W. Lauerbach, Friedrichstr. 15, 1000 Frankfurt/M. Tel: (069) 276753. Telex: 416721.
Pres. U.S.: Michael Korn, 230 Third Ave., New York, N.Y. 10015. Tel: (212) 753-3894. Telex: 47175.
S.A. capital de 1.200.000 F. RCS Nanterre B 1202116. Comptabilité Publique No. 61337.
© 1987, International Herald Tribune. All rights reserved. ISSN: 0294-8022.

OPINION

A Plague of AIDS Slurs Against America

By Roy Godson

WASHINGTON — On a winter day in early 1985 the KGB began a worldwide campaign to blame the United States for starting the AIDS epidemic. The campaign involves scores of not hundreds of KGB agents, Soviet media and Central Committee personnel in Moscow and other parts of the world. It continues, despite exposure by Western scholars and journalists and protests by the U.S. ambassador in Moscow.

What do the new Soviet leaders hope to gain from such crude disinformation? Why do the sophisticated practitioners of *glasnost* (openness) believe that the benefits are worth the costs of outraging Americans? At least five political and strategic objectives are discernible:

- to discredit America by falsely claiming that AIDS originated in CIA-Pentagon experiments;
- to discourage "undesirable" political con-

tact with Westerners by portraying them as potential carriers of the disease;

- to create pressure for removal of U.S. military bases overseas on the grounds that U.S. service personnel spread AIDS;
- to undermine U.S. credibility in the Third World by maintaining that hypotheses about the African origin of AIDS are an example of Western, and especially American, racism;

- to divert attention from Soviet research on biological warfare and genetic engineering and to neutralize accusations that the Soviet Union has used biochemical agents in Asia.

The opening shot in the campaign was the distribution in March 1985 of a forged leaflet in France, allegedly produced by the "West German section" of the Moral Majority, suggesting that attendees at a conference of anti-Communist youth from democratic groups throughout the world held in Jamaica during the 1985 Easter holidays were in danger of catching AIDS, despite the fact that there had been no AIDS problem. The leaflet warned that "the only possibility for protecting yourself is to avoid the countries of origin of AIDS, notably Jamaica and Haiti."

The campaign's evolution since then has been complex. In October 1985 the Soviet weekly *Literaturnaya Gazeta* published an article alleging that the U.S. government had engineered the AIDS virus during biological warfare research at Fort Detrick, Maryland, which is "gravely known to the whole world as the place where biological weapons are created." The article alleged that AIDS was being spread throughout

the world by U.S. servicemen who had been used as guinea pigs for the experiment. The source cited was an Indian newspaper, *Patriot*, that has carried Soviet disinformation in the past.

The story was repeated by Moscow's *Radio Peace and Progress* in English and Turkish broadcasts to Asian countries, including some where the United States has military bases. It was picked up by several non-Communist wire services, according to the State Department.

In April 1986 the Soviet publication *Sovetskaya Rossiya* put out the story again, citing the *Patriot* as well as a 1984 book, allegedly written by one Jacques Lebovich, claiming that AIDS could have been genetically produced. In May,

page one. The second largest Greek daily, *Ekhnos*, reprinted the Sunday Express story in its entirety, and a popular Greek morning radio show highlighted it. The media in Brazil, Sweden, Spain and many other countries also carried versions. The story was ignored by most American newspapers, including *The Washington Post*.

The circle is now complete, and Moscow is recycling its original allegations, but no longer relying on obscure Third World pro-Soviet newspapers as sources. For example, *Tass* reported in November that the major Indian newspaper *Hindustan Times* had been using information supplied by "French" scientists. Recent Soviet foreign broadcasts have cited *The Sunday Press* in Dublin as "confirming" the reports of "French" professors that AIDS is an American creation.

AIDS is incurable, and there are fears that it has already reached epidemic proportions in much of the world — although the Soviet acknowledgment only a handful of cases in their own country. Soviet accusations that America created AIDS are intended to heighten anti-U.S. feelings and are another example of a favorite and long-time Soviet ploy to portray the United States and its political system as the source of the world's major economic, political and social troubles.

The AIDS campaign is also a diversionary tactic against claims that the Soviet Union has used biochemical weapons in Cambodia, Laos and Afghanistan and is engaged in genetic-weapons research. The Soviet stock response is to accuse the accusers of links to the CIA and to claim that the United States supplies chemical weapons for use against Soviet troops in Afghanistan. Given the special horrors of both chemical warfare and AIDS, Soviet agents almost certainly hope to link the two and muddle the debate.

The United States government started to expose the Soviet AIDS campaign last year through State Department comments and U.S. Information Agency publications. Brazil's *O Estado de São Paulo* and other newspapers that carried the Soviet disinformation have printed retractions, and the *Hindustan Times* added that almost all scientists believe that AIDS "mutated naturally and spontaneously from the animal virus."

In 1986, Arthur Hartman, the U.S. ambassador in Moscow, wrote letters to the Soviet press protesting the stories as "patently absurd" and asking that they be corrected. The protests were ignored. As recently as several weeks ago, Soviet media were still recycling the AIDS story.

The writer is an associate professor of government at Georgetown University and editor of *Soviet Disinformation Forecast*. He contributed this column to *The Washington Post*.

Chemical Weapons Will Keep On Proliferating

By John C. Anseland

This is the first of two articles.

SLO — The emotion-laden question of chemical weapons is once again forcing its way to the surface. Officials and politicians prefer for the most part to look the other way. Meanwhile, the problems become larger and larger.

Although discussion has focused recently on the question of whether NATO should modernize its chemical weapons, the problem is a global one. In the past decade and a half, the number of countries with chemical weapons has grown, and more are seeking to acquire them.

The use of chemical weapons during World War I had a traumatic effect on the world. Most people believe that the reaction to those horrors prevented the use of chemical weapons in World War II. This was not entirely true. Japan used them against China.

Since World War II the list of countries with chemical weapons has grown, and some countries have made use of them in combat. Estimates regarding the number of countries with chemical weapons vary. Official U.S. documents maintain that there are 15, but do not name them. Unofficial publications give a more nuanced picture.

The April 14, 1986, issue of *Chemical and Engineering News* quoted U.S. officials as saying that four countries had chemical weapons for certain: the United States, the Soviet Union, France and Iraq. It said there were reports that another 11 also had them: Egypt, Syria, Libya, Israel, Ethiopia, Burma, Thailand, China, Taiwan, North Korea and Vietnam, Iran and South

Korea may be seeking to acquire them, the magazine said.

A 1985 Pentagon publication, "The Soviet Chemical Weapons Threat," claimed that there had been five confirmed cases of use: by Egypt in North Yemen (in the 1960s), Iraq in Iran, the Soviet Union in Afghanistan, and Vietnam in Laos and Cambodia. The publication said there had been unconfirmed reports that China used chemical weapons against Vietnam and that Ethiopia had used them against domestic opponents.

The Pentagon maintains that herbicides and riot control agents are not chemical weapons, but some would include the U.S. use of those agents in Southeast Asia on this list. Although there is controversy about allegations of use, one thing is clear: To the extent that chemical weapons have been used, it has been against those with poor defenses and little or no capacity to retaliate.

Despite the increase in the number of countries with such weapons, there has been little public discussion regarding their proliferation.

Iraq's use of chemical weapons against Iran has frightened Western countries. Under the leadership of Australia, 18 of them are seeking agreement to control shipment of chemicals that can be used in the production of chemical weapons.

There were four meetings in 1986 and more will take place this year. After resisting for some time Soviet proposals for talks regarding proliferation, the United States has become involved in a quiet dialogue. In this, the two countries



Drawings by RODDEEN in Elsevier (Amsterdam), C&W Syndicate.

have reviewed export controls and political steps to limit the spread of chemical weapons.

Efforts to reach a global agreement have been inching forward. The hope is to go beyond a 1925 pact which banned the use of the weapons and required signatories to stop production and destroy stocks.

Negotiations under United Nations auspices began in the late 1960s, but there was little pressure on the negotiators. U.S.-Soviet talks began in 1977 but lapsed in 1980 after the Soviet invasion of Afghanistan. Under pressure from its allies, the Reagan administration began to show greater interest in 1984.

Since then there has been some movement in the 40-nation Geneva Conference on Disarmament. The main stumbling block throughout has been verification.

Given the nature of the chemical industry, it is questionable whether a reliable verification regime can be worked out. Certainly it will not be easy for the Soviet Union to agree to the intrusive procedures that an American president would need to

get a treaty through the Senate. The experience with the 1972 biological weapons treaty has not been encouraging. That treaty has weak provisions regarding verification.

The U.S. government maintains that the Soviets have a large biological weapons program. As evidence it points to an outbreak of anthrax in Sverdlovsk in 1979. The Soviets insist that black market meat was the cause. They would not agree to on-site inspection.

Ronald Reagan and Mikhail Gorbachev agreed in Geneva in November 1985 to give higher priority to negotiations on chemical weapons. At Reykjavik the question was barely discussed. Since Reykjavik, the United States and NATO have complicated matters by linking the elimination of nuclear weapons in Europe to an agreement to get rid of chemical weapons.

Thus the prospect is for the number of nations with chemical weapons to grow and for the Soviet Union and the United States to modernize their chemical arsenals.

International Herald Tribune.

Shock Therapy: America Needs the IMF Treatment

By Alan J. Stoga

NEW YORK — In 1986, the international economic position of the United States continued to deteriorate — a deterioration that, if unchecked, almost certainly presages a decline in the American economy and standard of living.

The deficit in the balance of trade widened to more than \$170 billion as imports continued to rise to nearly \$400 billion. As a result, America's foreign debt grew to about \$250 billion, making the United States by far the largest international debtor.

Optimists argue that the deficit has stopped rising, that the administration's efforts to improve U.S. export competitiveness and level the playing field of international trade are beginning to work. The dollar has fallen dramatically, making U.S. exports cheaper in some markets and making some imports more expensive.

While Congress has become more protectionist in rhetoric, the administration has become more protectionist in fact, ordering quotas on Japanese machine tools and reducing tariff benefits to key developing countries. It also has become less and less diplomatic in demanding that Japan and West Germany adopt more expansionary economic policies to stimulate world and U.S. trade.

But there is little evidence that the U.S. trade position and the relative competitiveness of the U.S. economy are fundamentally improving. American manufacturers and farmers are not finding it much easier to sell their goods in international markets, and many American consumers appear to prefer imported goods. Even optimis-

tic analysts are now forecasting only a \$40 billion improvement in the trade deficit. This means that the net foreign debt would continue to grow about \$100 billion per year.

The underlying problem is simple: Americans are consuming more than they are producing, and the difference is made up with imports and is financed by foreign borrowing.

The problem does not look much different from that which has afflicted other countries with high debt. There the solution has been simple: The time-honored method of correcting an excessive deficit, sanctioned by the United States and the International Monetary Fund, has been to induce a recession, which brings consumption into line with production, and savings into line with investment.

If it is reinforced by simultaneous structural changes in underlying economic incentives, the quick fix of a recession can be translated into sustained recovery and expansion. If it is not, at least the country learns to live within its means.

Applying the IMF prescription for Mexico to the United States is potentially dangerous in a world that looks to America for international economic leadership and conducts most of its commercial activity in dollars. But sooner or later the world's creditors will demand higher returns for the risk of financing U.S. deficits or will shun U.S. investments altogether. The result would be financial chaos and world economic depression.

The longer a recession is delayed,

the more severe and painful will be the ultimate correction. The goal of policy makers should be to minimize the pain while maximizing the effect of the corrective efforts.

If the core of the problem is excessive consumption (as manifested in the trade gap) and inadequate U.S. savings (as manifested in the budget deficit), then economic policy should be aimed directly at those issues. This could be done through an emergency program with the following elements:

- A temporary tariff on all imports, with the proceeds used to finance an accelerated domestic adjustment process, including worker retraining and relocation. This could be accompanied by a commitment to forgo new protectionist measures for the duration of the program.

- A two-year income tax surcharge applied entirely to deficit reduction, along with renewed efforts toward the control of expenditures.

- An agreement with West Germany and Japan to help finance U.S. deficits so that interest rates do not rise excessively.

The result of such economic shock therapy would be a U.S. recession, as consumption of both domestically produced and imported goods fell. The trade balance and the budget deficit would improve. Foreigners would scream that the United States was trying to solve its problems at their expense. However, they might be made to understand the greater danger to the world economy if America continued on its present

course. This would set the stage for more fundamental improvements in the structure of the U.S. economy that are necessary to restore American competitiveness and rebuild the nation's standard of living. Without a dramatic initiative, such changes will be too slow in coming and too gradual in their effect.

The writer is a senior associate at Kissinger Associates, a New York consulting firm specializing in international politics and economics. He contributed this to the *Los Angeles Times*.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: The Czar's Censor

ODESSA — It is some time since the Russian foreign press censor last honored the Herald with the polite attention of dutifully sneering a portion of its columns with his abominable "caviar" brush. There is something, however, occupying the lower spaces of columns 3, 4 and 5 of page 7 in the impression of Jan. 17, which appears to have offended. It is probably a cartoon; an illustration reprinted in *la Rasse*. I enclose the page. It affords another proof that the Russian press is more rigorously muzzled under the present reactionary regime than it was anterior to the "epoch-making Constitutional Manifesto" of Oct. 30, 1905. [The cartoon, entitled "After the Socialists Get In," showed six European monarchs with satirical nicknames, including "Nick Romanoff" for Czar Nicholas II.]

1937: Clashes in Algeria

ORAN — Seventy-five demonstrators and 25 Mobile Guards and troops were injured in clashes here [on Jan. 25]. The disorders were the culmination of a tense situation created by the Algerian Nationalists and Left extremists associated with the "North African Star" organization. Four companies of the Foreign Legion and Senegalese troops, who were moved to Oran at the request of the prefect, finally re-established order. The authorities believe that energetic action on their part prevented a veritable uprising which the extremists sought to foment. Meanwhile, the French cabinet has approved a decree disbanning the "North African Star" organization. This organization, which aimed at the separation of Algeria from France, is alleged to have worked with the Communists.

OPINION

Two Worlds in One City:
Continents Drifting Apart

By A.M. Rosenthal

NEW YORK — He was my teacher at City College and I called him for lunch because I wanted some advice. He was the best teacher I ever had and the only black teacher. I had admired him for decades, for his historic work in desegregating schools, for explaining the reality of the Harlem ghetto, for creating lives and careers for young people — Ken Clark, Dr. Kenneth B. Clark.

I wanted to talk about something about New York that seemed more and more important but was almost taken for granted: the moving apart of black and white, continents drifting fast.

I had been talking about it to a number of people in the city but we went

Write about sensitivities
and work, Ken said.

around and around what we all knew — anger, vicious white know-nothings, vicious black demagogues, bad schools and worse housing, slums, one out of two black babies born into poverty, whites mugged, black kids wandering through life without jobs. What could a man say or write that would be of any use and not more blah blah blah?

Ken had been struggling for most of his life with all this. He put out his cigarette; he smoked too much and knows it. More than a quarter century ago he wrote his classic study, "Dark Ghetto." Since then, he said, things had become worse all around, schools worse, drugs worse, crime worse. He had not expected so many things to get worse.

But you are an optimist, he asked, aren't you? Well, in a way, I answered; you have to be an optimist to be a daily newspaperman because every day the world starts all over again and so do you.

But optimist or not, you could not escape the truth of the drift — the city was sliding deeper and deeper into a variety of self-imposed segregations. White parents afraid of crime had taken their children out of public schools by the thousands. Blacks and whites lived lives apart. There was a sprinkling of more black faces in white offices, but after work, and often during work, blacks and whites stayed apart about as much as before.

You could count the times you saw blacks at New York parties and dinners at home given by whites. How many

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

white New Yorkers had ever been in a black home, or been asked?

Blacks and whites come together in subways and schools for the same teams at the stadiums — in the bleachers, not the boxes. The white kids who are still in public schools come from blue-collar families generally. The higher up you go economically, the more the segregation of school and living place.

Most dangerous is segregation of hope — generation after black generation growing up without jobs and accepting welfare, public charity, as life. We talked back and forth. There were some glum silences and then we both decided that despair was about as useful as a hole in the head.

Ken said there were things to be done and that when he said what he really thought the words might sound tired but they were true. The need for human sensitivity, between one person and one person, one group and another group, it all begins with that, he said. But it has to be taught over and over, in schools, at home, in the office, everywhere. We talked of the absolute need to get rid of racial stereotypes, the automatic tensing, edginess about working together, the nasty racial joke. He was not talking about making saints of us, just making us take a look at each other and mostly at ourselves, and then working at it.

Ken is a social psychologist, and whatever he had taught me, that and the rest of life made me realize that there simply was no other foundation. Sensitivity, the realization of yourself in another, was the soil without which nothing would root.

We talked some about the young white man in Howard Beach who dated a black girl who liked him, and how he went out recently and beat up a man because he had a black face. How could that be? Incomprehensible.

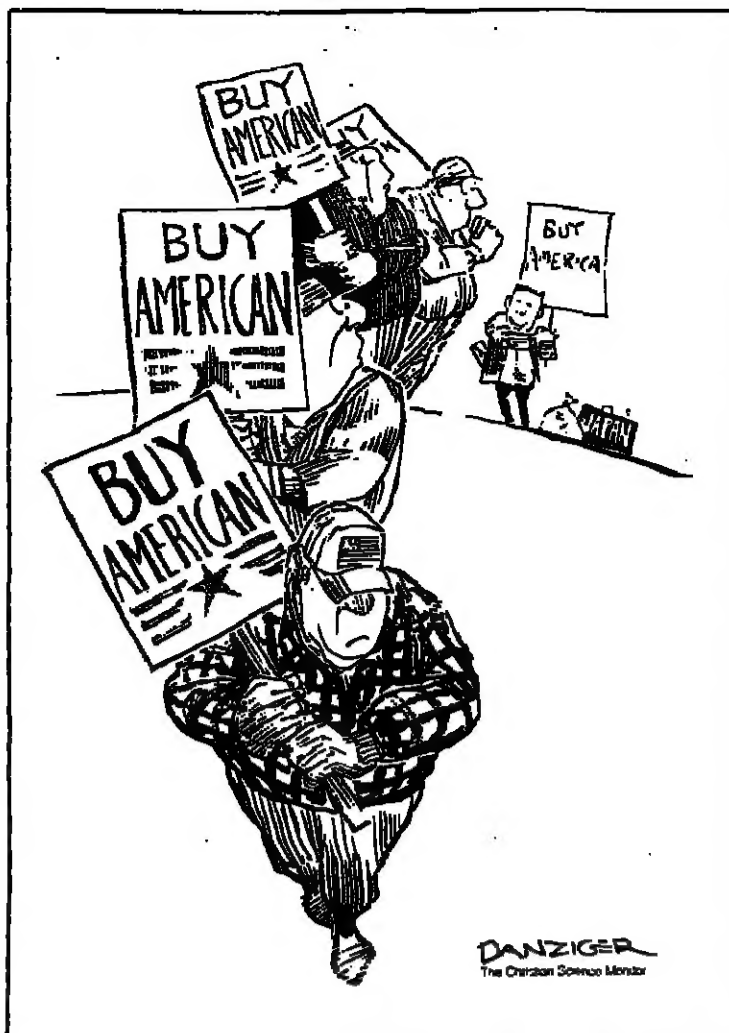
We talked about a young black writer, Michael Meyers, who had the courage to denounce black opportunists and extremists. Taking on either "establishment" is easy; taking on the fringes is not. They are often popular with your peers and they fight back mean.

Write about teaching human beings about other human beings, Ken said again; start from there.

Will that get any black kid a job? Well, he said, write about that, too, about people who have ideas about getting black young people into work, including those on welfare. Like Governor Thomas H. Kean of New Jersey, because work is the only way up and out. We both knew that job power remained in white hands but that breaking down the welfare trap is for black and white.

Write about sensitivities and work, Ken said. It's basic and worthwhile.

The New York Times



LETTERS TO THE EDITOR

Without Following Through

I have been attentive to the recent flurry of laments about the American penchant for self-criticism, or "self-flagellation," as David Bar-Ilan put it in "A Nation of Innocents, Much Too Hard on Its Leaders" (Jan. 16). I, too, have misgivings about this penchant of the Americans, but for a different reason.

The U.S. press and public have been known to indulge in scathing criticism for some time. One thinks of Vietnam, Watergate, millions of poverty-stricken Americans, the great number of functionally illiterate Americans and other post-industrial malaises.

Yet at the end, very little is done. Self-criticism has become an end in itself, an ego-trip with no major ramifications. What it does in the end is to render issues banal. All are fed up; few call for change or a redefinition of the situation. There is no change because there is no learning process, not even from one's own mistakes (the most elementary and potent form of learning). Alas for the United States and the world.

To revert to the revelations of Iran-

gate: There must be something profoundly wrong with the great democratic system of the United States "superpower" if, from so many brilliant scholars and politicians, it can produce but a Reagan. The brief glimmer that was the Kennedy era fades into the past. But perhaps this time, at the 11th hour there will be far-reaching change.

A.D. HERAKLIDES,
Athens.

Let Latin Americans Do It

While traveling in Asia, I read the editorial "Ideas for a Latin Opening" (Jan. 10). It is urgent for Washington to reorient its thinking. Too often the issue is whether to support the Contras. The real issue is whether the conflicts in Central America will be resolved by military or by nonmilitary means. The Contadora process remains the only viable and dynamic alternative to violence.

On Dec. 14, I participated in a satellite telecast linking the Contadora presidents with more than 15 countries in North, South and Central America. Each leader spoke of the need for a

Naturalized Citizens of the Global Village

By Christine Chapman

TOKYO — We knew all along that the Japanese would make it first: a new human breed. *Shin jinru*, or new breed, a word coined in 1985 to describe those born in the 1960s, became so ubiquitous in 1986 that it was selected in December as the most popular word of the year by Jiyu Kokumusha, the publishers of the yearbook "Cendai Yogo Kiso Chishiki," or "Basic Knowledge of Contemporary Terms."

"Shin jinru" won a gold medal, acceptance as a cultural pejorative and as a smart sales pitch, and the righteous disapproval of the old breed, the *kyu jinru*. The new breed is the enemy, roaming self-indulgently through the country, flaunting youth and money, which they earn at part-time jobs. While America's latest monster film, a remake of "King Kong," plays in theaters, Japan's own Frankenstein is on the loose.

Reading the diatribes that range from the government's "White Paper on Youth" to a vituperative article titled "Drop Dead, Shinjinru!" one understands that the nation which created them regrets it. The columnists who wrote the article said that without discipline "the new breed will become lazy and unwilling to work like Americans."

Their sex appeal is another story. Shin jinru are bigger, taller, more athletic than their parents. Some of the men, wanting to appeal to women, are turning to mudpacks and makeup; some of the women, committed to their education or careers, are willing to do *dasei*, or live together, with boyfriends, rather than marry.

Rather shocked, The Japan Times recalled in an editorial that 20 years ago

young people did not even hold hands in public and "now they snuggle like Parisians." It pointed to "the trend toward establishing sex, together with conservatism, as perhaps the paramount value of the emerging generation."

Furthermore, middle-aged Japanese are complaining that "the younger generation is usurping their prerogative to dictate social mores," wrote an editor and social critic, Tetsuya Chikushi, in a recent article in Japan Quarterly magazine. They criticize the new breed, the

MEANWHILE

article said, "for valuing the way they live above everything else, something their elders never thought much about."

But, commented an editorial writer in the Asahi Shimbun, "adults should accept the new values" and "recognize that there can be diversity in life."

Who are these people? How did they appear in staid and frugal Japan? Why are their older co-workers and their parents calling them *sechu-jin*, or aliens?

What have they done to deserve so much opprobrium and so few kudos? The visible shin jinru, those in their 20s, articulate and affluent enough to make themselves heard, are the children of those who endured the suffering of World War II and the years of hunger following it. A mother of one of them, Kazumi Noda, 52, said to me: "They had no experience of the war, they don't know what it means to struggle, just trying to get enough to eat."

A woman who as a child plowed the fields of the family farm during the war told her daughter: "What I wanted first was to give my children much freedom. I decided that I would restrict you as little as possible, and let you live as you wished. My life had always been decided by something outside."

Besides the public dismay over the shin jinru, there is the pride of parents who were able to indulge their children. Such a practice is known here as the "hothouse syndrome" of child-rearing. During the past 20 years, Japan's ever-growing wealth has helped to shape the oddest generation gap in history. Parents admit that they don't understand the children whom they agree they have spoiled. And the new breed criticizes the old for working so hard, enjoying so little, being so conservative.

A Tsuda College freshman, Mayuko Ishihara, 19, explained to me, "Shin jinru is a young person who has a new thought that an older person doesn't have." A classmate, Midori Ito, said: "The new breed are light people who have modern ideas. I don't think deeply, but we do think highly of women's independence. So I am not ashamed of being called shin jinru."

Even their thinking process comes under attack. The word yearbook calls it

digital shika, a way of thinking in which facts come quickly and disappear just as quickly. Trained to collect a catalogue of knowledge for multiple-choice questions on entrance examinations, students become clever at picking up information and knowing a little about everything. For keen mental agility they are rewarded with admission to university.

Said one student, semi-apologetic about her privileged status: "I've never been without food, water and television. The media have been friends since birth and I breathe with them."

Given status, then exploited by television as it glorifies the young — sumo wrestlers, baseball players, girl and boy "idol" singers — the new breed is adept "at swimming in the world of media," as the word yearbook describes it. Outspoken, they express themselves frankly, without mock embarrassment, and with winning self-deprecation.

A university student in Tokyo told me: "We don't have a passion for political and social reform like students of former generations."

"We spend our time and money for playing, not for studying. We don't know the name of the foreign minister, only the name of tonight's drinking party manager. We live in the world of individualism, but it's not very strong. We prefer to do the same things."

The government's annual white paper lamented that "the grand dreams and noble spirit so typical of young people have disappeared." Indeed, they seem absorbed in their private worlds, Disneyland of endless pleasure. They appear to have the best of everything: freedom, money, brand-name ski jackets, trips to exotic beaches, and appetite for spicy foods, ethnic restaurants and bullfight dancing.

Of course, they want to prolong youth. Even the children in primary school, 70 percent of them along with 60 percent of high school students, according to the government report, said: "I do not want to become an adult too soon."

The old breed fears that the homely, "When you become old, yield to your children," is no longer sensible. Today they think, "Never trust anyone under 30." Their children may always be children, Peter Pans and Cinderellas, who, with their pretty Western ways, have outdistanced the old folks.

It is their most grievous fault: adapting Western attitudes and discarding war, or harmony, for international brio. They are eager — another new term — or eclectic; they are "naturalized citizens of our global village," says The Japan Times. There is even a new new breed, *shin shin jinru*, grade-school kids who were born with a computer in the nursery and a microwave in the kitchen.

As Shakespeare might have put it, O brave new world! O bright new breed!

The writer is a Tokyo-based journalist specializing in the arts. She contributed this to the International Herald Tribune.

1987 good reasons to see Thailand this year

Majestic temples and magnificent elephants, glittering roofs and garlands of orchids, shining seas and shimmering silks, fascinating markets and fabulous silver, enchanting people and exotic cuisine...one could write a long book about the land they call Thailand (and many seasoned travellers have).

And never has there been a better year to see Thailand than 1987. For this is "Visit Thailand Year" in the Land of Smiles.

Among the kaleidoscope of festivities planned for 1987 you should try to catch some of these:

Jan. 24-30. Don Chedi Memorial Fair featuring historic and folk art exhibitions as well as traditional entertainment in Central Thailand.

Feb. 13-15. Chiang Mai Flower Festival. A million blooms, a thousand smiles. One of the unforgettable moments of your life.

April 3-13. The Glory of Ayutthaya. A spectacular son et lumiere, set in Ayutthaya, once the capital of Siam.

April 13. Songkran Festival - The Thai Lunar New Year. A nationwide water festival where you'll see the most extraordinary rituals. Everything from "water-throwing" to the freeing of caged birds, from folk dancing to beauty parades.

May 9-10. Bun Bang Fai Festival. "Bang" indeed. Each May, in the northeast of Thailand, villagers fire giant 20-metre rockets into the sky to ensure the monsoons come (and they always do). A fireworks show like no other you've ever seen.

July 10-11. Candle Festival. In the north-east town of Ubol Ratchathani, beautifully embellished beeswax candles, some 25cm in diameter and 2 metres high, are ceremoniously paraded through the streets before being presented to temples.

Sept. 23-Oct. 1. Vegetarian Festival. Fire-walking and vividly colourful parades in Phuket celebrate the Vegetarian Festival of Thailand's Chinese descendants.

Oct. 16. Royal Barge Procession. An armada of brilliant colours, pageantry and rare splendour not to be missed.

Nov. 5. Loy Krathong. Celebrated nation-wide, this is Thailand's loveliest festival when, under the full moon, Thais from all walks of life honour water spirits and wash away the previous year's sins by floating away onto rivers and waterways small banana-leaf boats bearing a lighted candle, incense, a flower and a small coin.

The former capital of Sukhothai provides a particularly picturesque setting for this festival.

Nov. 14-15. The Elephant Round-Up. Ever seen 100 elephants enact a mediaeval War Parade? You will if you come to Surin in north-east Thailand for this extraordinary display of intelligence, strength and gentleness.

Nov. 26-Dec. 4. River Kwai. Come to a thrilling son et lumiere spectacle set around the world-famous bridge.

Nov. 22. Bangkok Marathon. A major sporting event commemorating His Majesty the King's 60th Birthday Anniversary.

Dec. 15. Light and Sound Presentation. A glittering occasion not to be missed at the Royal Grand Palace and the Temple of the Emerald Buddha.

These are only a small selection of the truly stunning special events that mark 1987 as Visit Thailand Year - events that also include a Floral Float Contest in March and the Ploughing Ceremony on May 8 which marks the beginning of the official rice-planting season.

Make your holiday plans now. And make sure you fly on Thailand's own airline, Thai International.

Where the exotic sensations of Thailand start from the moment you step on board.

Bokassa Trial: Reliving Memories of Tyranny

Central Africans Tune In Radios To Hear Recital of Grisly Murders

By Jonathan C. Randal

Washington Post Service
BANGUI, Central African Republic — Charged with cannibalism, mutilation, sadism, massive embezzlement and 38 murders, the former self-proclaimed emperor of this impoverished nation has become one of the first African tyrants to be put on trial in a continent infamous for human rights abuses.

The proceedings are rife with technical irregularities, the testimony often confused and contradic-

NEWS ANALYSIS

tory, the pace slow and the politically sensitive verdict still months away.

But Jean-Bédél Bokassa, 65, a former French colonial army soldier, is getting the trial he thought he wanted when he inexplicably left his exile in France and flew back home on Oct. 23, 1986.

Inside the high-ceilinged courtroom, many yellow plastic chairs in the public gallery are empty, in part because the only two electric fans are reserved for the judges, jury and state prosecutor.

Sweat soaks the elegant blazers and dresses of those determined to see Mr. Bokassa in a courtroom as at least as the prison cells to which he once consigned his enemies.

But radio and television broadcast every word of the trial for a public so riveted that government officials fret that the production of civil servants and other workers has all but ground to a halt.

Mr. Bokassa's French lawyers say that he had thought naively that the most he risked by returning was banishment to his native village, although he had been condemned to death in his absence in a 1980 trial.

The witnesses' testimony covering Mr. Bokassa's 14-year reign constitutes a rare time in independent Africa that such abuse of limitless power has been recorded.

In 1979, Francisco Macías Nguema, the former president who had ruled Equatorial Guinea since independence from Spain in 1968, was executed after being convicted of genocide, treason and embezzlement of public funds.

A witness charged that Mr. Bokassa had her aged mother arrested and shot because she was a "spy" woman. Bokassa was accused of having a physical anomaly said to endow her with supernatural powers to free her son from the infamous Ngaraba prison in Bangui. In any event, the son, General Martin Lingoupou, died there, deprived of food and water.

According to another witness, the penis of a second general, Jean-Claude Mandaba, was severed and dispatched to Mr. Bokassa as proof of Mr. Mandaba's execution in the same prison.

Once a former Bokassa security officer said, Mr. Bokassa was confronted with "obscene photographs" showing his wife Gabriella, a Romanian ballet dancer, cavorting with a maid and with a security staff member. Mr. Bokassa had the maid and four security men arrested, tortured and killed, according to the surviving officer.

"The Romanian woman," as she is known, was luckier; she was sent packing back to Bucharest.

Ngaraba inmates routinely had hands and feet chained to the floor. Those singled out for death were assigned to the so-called isolation cells from which, survivors recounted, no one expected to leave alive.

Under prison director Joseph Mokoa, prisoners were either starved to death, dispatched by strangulation with chains, or finished off with hammer blows.

His confessions about prison conditions — underlining Mr. Bokassa's alleged personal responsibility for ordering most of these acts — have been entered as evidence in the Bokassa trial. Mokoa was executed for his crimes in 1980.



Jean-Bédél Bokassa is escorted to court in Bangui.

That was one year after France's president, Valéry Giscard d'Estaing, under pressure from public opinion following the murder of 17 Bangui school children, sent troops to depose Mr. Bokassa, whom he had once called "France's best friend in Africa."

Except for a tirade against Mr. Giscard on the trial's first day in November, charging his erstwhile "dear cousin" with betrayal and "organizing a formidable campaign of calumny," Mr. Bokassa has refrained from mentioning details of their once close relationship.

But the trial, expected to last into March, may yet touch on the very secrets the French sought to bury when they ousted Mr. Bokassa's regime, during Operation Barracuda, as the coup d'état was codenamed.

How far Mr. Bokassa's successors may want to go in embarrassing France, which supplies two-thirds of the government budget in return for the right to maintain a 1,200-man garrison, also remains unclear. President André Kolingba, Judge André Frank and many of the witnesses and victims once served Mr. Bokassa.

Occasionally, Mr. Bokassa has insinuated that others still in high office are responsible for the "excess of zeal" he acknowledges his underlings wrought.

He concedes "moral responsibility" in ordering some arrests and often — in the name of "national security" — not bothering to bring formal charges, much less conduct trials. But Mr. Bokassa has disclaimed ever ordering a single death sentence.

Mr. Bokassa repeatedly has expressed ignorance, shock and dismay at the revelations, and told the court, "Thank God the regime has changed, for I could have suffered the same fate if I had been jailed."

But Antoine Goualo, a former communications minister, cast doubt on Mr. Bokassa's claims of ignorance.

He told the court that Mr. Bokassa and his ministers had visited Ngaraba at one point, seen General Lingoupou there and remarked, "If he ever gets free, he would constitute a danger for us all."

That, said Mr. Goualo, was tantamount to a "death sentence."

Mr. Bokassa's return confronted President Kolingba with a dilemma: to execute him or to put him on trial. Since he seized power in 1981, Mr. Kolingba has carried out no executions.

The easiest solution apparently would be to convict Mr. Bokassa and then deport him. Already there is talk of a Moroccan exile.

Iran Scored Heavily at Basra, Experts Say

By Loren Jenkins

Washington Post Service

TEHRAN — Military analysts here, noting signs that Iran's thrust toward Basra has stalled, said they consider the Iranian showing a success even though it has fallen short of the strategic Iraqi port so far.

The offensive will hinge on whether the Iranian forces can consolidate their three- to six-mile (five- to 10-kilometer) push through Iraq's outer defenses of Basra, an analyst said.

According to reports from the front, the Iranian forces, spearheaded by an estimated five divisions of Revolutionary Guards, have overrun at least two and possibly four of the defense lines before Basra's main defense barrier. The barrier is about nine miles east of the port.

The Iranians caught entrenched Iraqi forces by surprise on Jan. 9, flanking them by crossing a lake that the Iraqis believed impregnable, then pushed Iraqi defenders back according to these observers. They cited this as evidence of Iran's superior tactical creativity.

"If, as it seems, the Iranians have got up to Basra's main defenses, that is very significant," a foreign military analyst said. "If they can hold onto the ground they have gained — and past history suggests they can — then they have achieved an unquestioned success even without breaking through to Basra."

In addition, the offensive put Iran's artillery and rocket launchers closer to Basra, Iraq's second largest city.

The advance also is seen as an important morale boost for Iran's one million troops because it indicated again that Iraqi superiority in artillery, tanks and aircraft is still not sufficient to deter the determined — often suicidal — Iranian forces.

"I think this offensive has reinforced the view among Iraqis that they finally have the Iraqis on the run," said a foreign diplomat.

"They are now convinced that with maybe one more push, or two pushes perhaps, they will take Basra, or surround it and deliver a death blow to Iraqi President Saddam Hussein."

Basra is one of Iraq's main chemical and petrochemical industrial areas. Its outskirts straddle the strategic highway link to Kuwait, which has supported Iraq financially in the war and has allowed the Iraqis to use its port for arms shipments.

Since the latest offensive began, Iran's leaders have insisted that the capture of Basra was not their objective. Such statements do not appear to convince foreign analysts, who say that Iran's military strategy in the last three or four years has pointed to a drive on Basra.

Because Iraq's population of 15 million is only a third of Iran's, Iraq's military has stressed firepower rather than manpower. While that has been effective in a political sense in Iraq, it has proven disastrous militarily, according to military experts. The capture of land from an entrenched enemy, the experts note, is considered impossible without committing infantry.

"You can't take ground without attacking on the ground, going over the top with cold steel, as was done in World War I," said a foreign military expert. "This Iraq has never done."

If Iraq continues to hold back its ground forces, the military analysts expect Iran to keep advancing toward Basra, using the tactics of attack and entrenchment that have brought it near to the city.

\$300-Billion Demand

In Ankara, Turkey, an Iranian official was quoted Monday by United Press international as saying that Iran will end the war if Iraq pays Tehran \$300 billion in reparations and the world condemns Iraq as the aggressor in the conflict.

Deputy Prime Minister Ali Reza Moayeri also said the new Iranian drive was a "final phase of the war."

Mr. Moayeri, who arrived in Ankara late Sunday, met with Prime Minister Turgut Ozal of Turkey

and delivered a message from the Iranian prime minister, Mir Hussein Mussavi. Turkey has resumed mediation efforts to end the conflict.

Iraq has called frequently for a negotiated peace, but Iran has demanded the ouster of Mr. Hussein before it stops fighting.

Both Sides Claim Gains

Iran said Monday it gained ground in its southern offensive while Iraq reported that the attackers were taking huge casualties.

Reuters reported from Manama, Bahrain.

Tehran radio said the Iranians routed three Iraqi brigades and a commando battalion Sunday night in taking new positions along a canal about six miles east of Basra.

However, the commander of Iraq's 3d Army Corps, which is besieging Basra, said that Tehran's forces had failed to penetrate the Iraqi defenses despite daily attacks for more than a week.

Islamic States Raid in Angola Leaves 61 SWAPO Rebels Dead

Reuters

WINDHOEK, South-West Africa — South African-led security forces killed 61 guerrillas and several Angolan government troops Sunday in a raid deep inside southern Angola, an official statement said Monday.

The military headquarters in Windhoek said two of its men were killed during the battle near Mongoma, 45 miles (75 kilometers) from Angola's border with South-West Africa, or Namibia.

The statement did not say how many Angolans died in the fighting, which appeared to be one of the biggest recent clashes between South Africans and Angolans.

The 61 dead were reported to be members of the South-West Africa People's Organization, which has been fighting for Namibian independence for 20 years.

The statement said security forces following SWAPO guerrillas across the border were fired on by Angolan forces near Mongoma.

According to South African counts, the fighting brought to 161 the number of guerrillas killed this month.

Operations by the Namibian military, which is headed by South African officers, tend to increase in number at this time of year because of efforts to thwart rainy-season offensives by the guerrillas.

Black Journalist Freed

A South African journalist, Sipho Ngobho, has been released after 26 days in detention without trial or access to a lawyer under the Internal Security Act, Reuters reported Monday from Johannesburg, quoting the newspaper Business Day.

Mr. Ngobho, who reports on black townships for Business Day,

was taken to the newspaper's office Friday by the police, the daily financial publication reported. He was arrested Dec. 26.

He said that while in detention he was questioned about articles he had written for Business Day, particularly one on the young black anti-apartheid militants known as the "comrades."

R.F. Botha Testifies

South Africa's foreign minister, R.F. Botha, defended on Monday his release of information that later proved to be wrong about the crash that killed President Samora Machel of Mozambique, United Press International reported from Johannesburg.

Breaking with a tradition that cabinet ministers do not testify in person, Mr. Botha told a six-member international inquiry board that it was not his fault that information given him by technicians from the scene of the crash in October proved to be false.

Last week witnesses refuted Mr. Botha's initial statements that crew members had alcohol in their blood and that the Soviet-built airplane's ground-proximity warning device failed to operate.

"I am not a technician," Mr. Botha told the inquiry board at the Johannesburg Supreme Court. "These were the facts given to me."

He said that in making the statements he had been trying to stem criticism of his government. "I knew that any delay in making known what we knew," he told the board, would "immediately cause accusations against us."

Witnesses told the board last week that the plane apparently was lost shortly before the crash and that the instrument landing system was out of order.

New Nightmare for Chinese in U.S.

Despite Their Fears, Students Protest Beijing Crackdown

By Nick Ravo

New York Times Service

PRINCETON, New Jersey — Yang Xiaokai's nightmares have returned. When the Chinese national awakens each morning, he often recalls a haunting dream of imprisonment.

"Fortunately, I'm not in a jail," he says. "I'm in the U.S. in an apartment. I feel lucky."

Similar nightmares plagued Mr. Yang, who is 36, 10 years ago after his persecution during the Cultural Revolution. Now the fears behind those dreams have been rekindled by his government's recent stifling of dissent and the dismissal of Hu Yaobang as secretary-general of the Chinese Communist Party.

Mr. Yang, a graduate student in economics at Princeton University and a former lecturer at Wuhan University, is one of 480 Chinese nationals studying in the United States who signed an open letter last week voicing concern over the Chinese government's actions.

It is believed to be the first time that a substantial number of the estimated 10,000 Chinese students in the United States have used their names in such a letter. Copies of the letter were delivered to Chinese officials and to two Chinese newspapers in New York.

Mr. Yang is one of several stu-

dents who have granted interviews, marking one of the few times Chinese students have allowed themselves to be quoted by name in the Western press on the government's actions. It is an act that some students say is dangerous for them and their families in China.

"I put my name on the letter," Mr. Yang said, "because I want to capture an opportunity to find a constructive and independent relationship between the government and the intellectuals."

"Usually, the Chinese students in the U.S. must obey all orders from the government," he added. "That is the only alternative, or you become an enemy. But I want to find a third way, another relationship between intellectuals and the government."

Li Shaojun, 29, a graduate student in political science at the University of Chicago, also signed the letter. "I don't think there is danger now," he said, adding, "Later, I don't know."

He recently wrote an article for *These Times*, a socialist weekly newspaper in the United States, voicing concern about the government's actions.

"I am very much worried about what the government is doing," Mr. Li said. "The future of China, the socialist democracy, the modernization, all the hopes of the people will be gone."

"I think it is very bad, the events that have been going on after the reform that had been going on. But we are being critical of our government in a constructive way. What the government is doing now isn't rational."

Li Shaojun, 30, a graduate student in demography at Princeton, said the recent events were "reminiscent of the Cultural Revolution," when the government began "criticizing a few intellectuals."

"I just cannot concentrate on studying because of this," he said. "I have been worried a lot, but those worries are not rational. When I reason why I should worry, I realize I have done nothing wrong."

Even so, Li Shaojun said that last week his wife, a student at the State University of New York at Albany, called him every day to be sure that he was still at Princeton. "She thought that I might be ordered back to China," he said.

Despite their concerns, students interviewed Saturday and Sunday said they planned to return home for their summer vacations. They

said many of their colleagues who signed the letter felt the same way.

"Certainly, it is our hope to go home," said Li Shaojun.

He added, however, that staying in the United States "is certainly an alternative" if the political situation in China worsens.

Li Shaojun also criticized the overseas edition of the People's Daily, the official newspaper of the Chinese government, saying it was his only source of news about China, "and that source is biased."

"That's why we are so angry," he added.

Despite their fears, the students seemed to be optimistic about China's future. They said that eventually their attitudes would be accepted by government officials.

They also dismissed the government crackdown on dissent as temporary, part of a political cycle.

The Princeton students said they did not fear losing financial aid because of the open letter or their statements. Like many Chinese nationals studying in the United States, they won fellowships; their tuition and expenses are not paid by the Chinese government.

"I think we regard this effort as a great success," Mr. Yang said of the open letter, adding: "We believe we are right and, eventually, if we are right we will get support from the people."

Chadian Forces Report a Clash With Libya Troops

Reuters

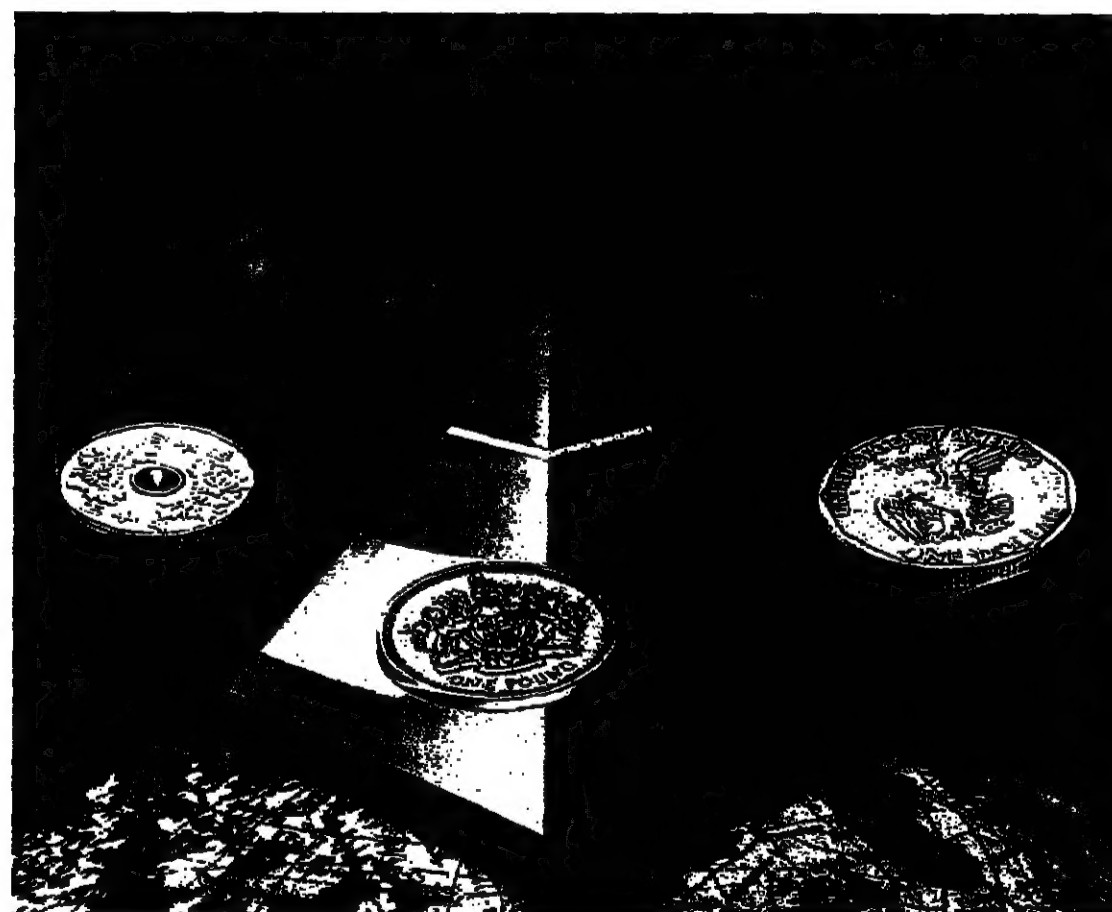
NDJAMENA, Chad — Chadian government forces have clashed with Libyan troops around Zouar, a former Libyan outpost in northwestern Chad, according to Chad's state radio.

The radio quoted a statement from the military high command saying that an unspecified number of Libyans had been killed in skirmishes Saturday. The military said earlier that the fighting at Zouar began Thursday, when Chadian troops were reported to have killed 193 Libyans.

It said Friday that Libyan reinforcements sent to the area from the Libyan town of Sebha had been wiped out. Chad said its forces suffered no casualties in the fighting.

The government of President Hissène Habré said last week that its forces had retaken full control of Zouar and its surroundings.

CS-Investment Service plus[®] Prime Rating for CS MONEY MARKET FUND US-DOLLAR



The CS Money Market Funds:
Ideal at the present time for stand-by funds

CS MONEY MARKET FUNDS
in the four most important international
currencies.

Investment funds under Luxembourg law

Safe:

Investments are exclusively in top-quality instruments.

Profitable:

Investments generate an attractive return.

Liquid:

Units can be sold back to the Fund at any time (with no penalty).

Flexible:

Units may be exchanged for units of any other CS Money Market fund at any time (free of commission).

Right now the CS Money Market funds represent an ideal short-term vehicle for demanding private customers and institutional investors with funds awaiting investment at a later date in longer-term instruments.

Minimum investment (depending on fund) between US-\$ 5000.- and US-\$ 7000.-

CS MONEY MARKET FUND units may neither be bought nor sold by investors who are domiciled in and/or citizens of the USA or its sovereign territories, nor is the transfer of units to those persons permitted. The same restriction applies in the case of the CS MONEY MARKET FUND YEN for investors domiciled in and/or citizens of Japan. The fund's representative bank in Switzerland is Credit Suisse.

Take advantage of this new investment opportunity. Ask your CS Investment Counsellor for details or send in the coupon provided.

AAA for the largest Credit Suisse Money Market Fund —

***CS MONEY MARKET FUND US-DOLLAR**

Standard & Poor's Corporation, New York, has awarded its AAA rating (triple A rating for money market funds) to the CS MONEY MARKET FUND US-DOLLAR. This is the highest rating available and is confirmation from a competent rating agency of the excellent investment quality of the CS MONEY MARKET FUND US-DOLLAR.

Standard & Poor's triple A rating is obviously a first class reference for conservative investors. In future, Standard & Poor's will monitor all investments of the Fund, in the unit holders' interest. The rating awarded may be changed, suspended temporarily or withdrawn at any time. The permanent follow-up by the rating agency is a steady challenge for the management of the CS MONEY MARKET FUND US-DOLLAR to maintain its present high quality standards.

The total assets of the CS MONEY MARKET FUND US-DOLLAR have substantially increased to a volume in excess of US-Dollar 1,000 million, a few weeks ago.

Order Form

Please send me details of the CS MONEY MARKET FUNDS

☐ US-DOLLAR ☐ S. STERLING ☐ YEN

Surname _____

First Name _____

Address _____

Postal Code/Town _____

Send to: CS Investment Fund Dept., P.O. Box, 8021 Zurich, Switzerland.

CREDIT SUISSE
CS

Experts

Agola Leve
O Rebels De

resoln U.S.
jing trachlon

Chadler Fano
Reperat of Ish
U. H. Liba. Jany

ARTS / LEISURE

Lacroix Paces Paris Couture

He has the inventiveness, the impertinence, and the talent for pulling a rabbit out of a hat.

By Hebe Dorsey
International Herald Tribune

PARIS — Christian Lacroix, of Paris, was the hero of the day at the start of the Paris spring-summer couture collections. There was an electricity, a suspense, and constant applause at his show yesterday, the like of which has not been seen since the heyday of Yves Saint Laurent.

In many ways, Lacroix resembles Saint Laurent — in the days when Saint Laurent cared. He has the same inventiveness, the same impertinence, and the same talent for pulling a rabbit out of a hat — meaning that he can be wonderfully surprising. For instance, a dress that looked flat and perfectly normal from the front became wildly bustled and ribbed at the back. Lacroix also has a near-perfect Parisian sense of proportion and a delicious palette.

Although many of his designs looked extreme, they were the kind that move fashion ahead; since last season, when he took Paris by storm, Lacroix has become the most influential designer in the world. The inspiration this time came from the Caribbean and the message

PARIS FASHION

was Creole, with striped turbans and dresses, draped gowns pushed up in a back bustle, and a tropical freshness springing from unimportant, summery fabrics such as piques, cottons and organdies.

The opening featured white cotton dresses, flat in front and raised in back over several stiff petticoats. The movement in this collection was wonderfully amusing, with all skirts swinging and swaying over petticoats.

The early part of the show included suits with tiny, double-breasted jackets over petticoated skirts and trapeze-shaped, scooped-neck dresses. Lacroix continued his poufs and powder puffs, as well as his Empire silhouette, which looked best when it was deftly draped around the shoulders. This made for a soft feminine look that totally eliminated tough shoulder pads.

Saying that he wanted to convey a "romantic exoticism," Lacroix played up naive fabrics and fresh colors. The long evening gowns were totally summery and the mixture of embroidered boleros with white cotton skirts unexpected and unpretentious. Besides a lot of white, polka dots and candy stripes, Lacroix used black and white prints, of which the most interesting were those designed by Dufy in the '20s.

Accessories at Lacroix were, as usual, worth noting. Hats ranged from tiny gold clown's hats to huge black straw platters edged with lace. Shoes were either made of bonbon-colored lace or bright satin with ribbons crossed up over the leg. Jewelry included fake diamond earrings, lace and fringed bracelets and huge clay bangles. Colors were on the soft side with pastels broken up by a clear-cut red. Brown and pink and khaki and pink looked new and different.

The rest of Paris couture is deep into ruffles and crinolines. Even the sober Pierre Cardin had skirts with wired bones that swished like hula-hoops. Sometimes, the silhouette came in several layers, with each layer stiffly wired at the hem.

Otherwise, Cardin's collection was full of his old, familiar and graceful classics, with the emphasis on precise, sharply tailored suits worn with flying saucer hats. Skirts were short and well above the knee. Cardin paid a lot of attention to sleeves, which were finely pleated or heavily ruffled.

Pleats, including asymmetrical ones, were a favorite theme. So were polka dots and, at the end, ruffles upon ruffles. The most interesting dress was a simple black column, edged with strong ruffles at the hem. Colors included bright blues, reds, greens and yellows as well as black and white.

Jean-Louis Scherrer opened with two white satin garments, the second being a long jacket over Bermuda shorts. But from then on, he turned wildly romantic, with a combination of finely draped dresses and big ruffles.



Right, Lacroix's yellow ruffles; above, Scherrer's lace; left, Cardin's crinoline.



Photographs by Jean-Marc Labouque

The beginning was neat, with polka-dotted Deauville pajamas and short jackets and peplum suits in predictable Prince of Wales checks. Playing up the seduction act, Scherrer produced tried-and-true navy-and-white combinations, scoring with a navy and white suit whose striped lapels matched the skirt.

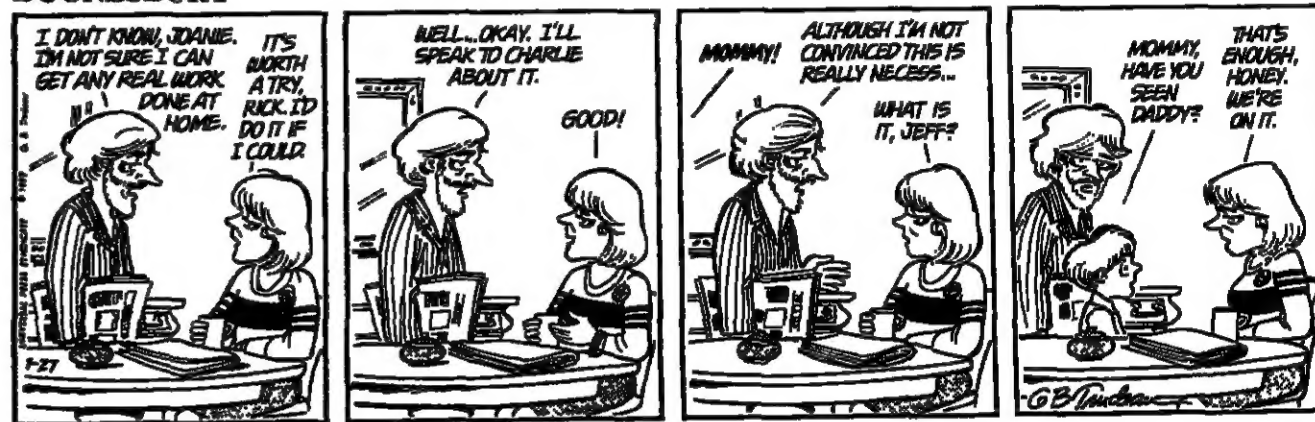
This is a good season for lace: there is a lot of it in the Paris collections, but Scherrer went overboard. Besides lace collar and cuffs on tailored suits, he had lace gloves, lace flowers executed on a Spencer, a lace-bordered gray whipcord suit and layered lace skirts. The Spanish ruffles at the end came complete with mantilla over a tall comb.

Hanae Mori, who opened on Sunday, was, as usual, even and ladylike. The butterfly motif — her symbol — was once more everywhere, including on an impressive array of brilliantly colored, all-over embroidered sequin dresses.

The other news in Paris over the weekend was the opening of a stunning Armani boutique on Place Vendôme. The discreet designer said in Rome last week that he would not come to town yet in order not to interfere with the couture season. Laid on two levels, the modern, sober store includes the collections of Armani for men and women plus Mani — a cheaper version of Armani for women. Armani also hired Dreda Mele from Guy Laroche to head his Paris operation.

The most fascinating rumor about town comes from the house of Saint Laurent, where the couture collection has reportedly been made considerably smaller. It seems that Saint Laurent and his partner, Pierre Bergé, would like to eliminate couture altogether and upgrade the Saint Laurent-Rive Gauche ready-to-wear until it becomes almost couture. The lower-priced Variations line, which has been turned over to the designer Dick Brando, would then take the place of Saint Laurent-Rive Gauche.

DOONESBURY



2 for 1

Worldwide subscription rates offer discounts of up to 50% off the newsstand price depending on country of residence. Miami printing makes the global newspaper available day-of-publication in the Americas — just as in Europe and Asia.

In European countries, new subscribers receive an additional two weeks free for each three months they subscribe.	
EUROPE	1 year 6 mos 3 mos
Austria A.Sch.	4,800 2,400 1,440
Belgium B.N.	10,200 5,100 3,060
Denmark D.N.	2,200 1,100 660
Finland F.N.	1,600 800 480
France F.F.	1,400 700 420
Germany G.M.	500 250 150
Greece G.R.	120 60 36
Italy I.I.	10,200 5,100 3,060
Netherlands N.L.	400 200 120
Norway N.R.	140 70 42
Sweden S.S.	1,200 600 360
Switzerland S.F.	400 200 120
United Kingdom U.K.	10,200 5,100 3,060
United States U.S.	1,400 700 420
Canada C.A.	1,400 700 420
Japan J.P.	1,400 700 420
South Korea S.K.	1,400 700 420
Taiwan T.W.	1,400 700 420
Hong Kong H.K.	1,400 700 420
Singapore S.G.	1,400 700 420
Malaysia M.L.	1,400 700 420
Philippines P.P.	1,400 700 420
Thailand T.T.	1,400 700 420
Indonesia I.I.	1,400 700 420
India I.I.	1,400 700 420
China C.C.	1,400 700 420
South Africa S.A.	1,400 700 420
Colombia C.C.	1,400 700 420
Venezuela V.V.	1,400 700 420
Guatemala G.G.	1,400 700 420
Costa Rica C.R.	1,400 700 420
Panama P.P.	1,400 700 420
Dominican Republic D.R.	1,400 700 420
Honduras H.H.	1,400 700 420
El Salvador S.S.	1,400 700 420
Nicaragua N.N.	1,400 700 420
Guatemala G.G.	1,400 700 420
Costa Rica C.R.	1,400 700 420
Panama P.P.	1,400 700 420
Dominican Republic D.R.	1,400 700 420
Honduras H.H.	1,400 700 420
El Salvador S.S.	1,400 700 420
Nicaragua N.N.	1,400 700 420

To: Subscription Manager
For Latin America/Caribbean: IHT Florida Inc., 1000 Brickell Ave., Suite 1260, Miami, FL 33131, USA.
For North America: IHT Inc., 850 Third Ave., New York, NY 10022, USA.
For Europe: IHT, 181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex, France.
For Asia: IHT, 7/F Malaysia Bldg., 50 Gloucester Road, Hong Kong.
IHT, 138 Cecil Street, 07-02 Cecil Court, Singapore 0104.

Please enter my subscription for: ☐ 1 year ☐ 6 months ☐ 3 months

☐ My check is enclosed ☐ Please charge my credit card account

☐ Amex ☐ Eurocard ☐ Amex ☐ MasterCard ☐ Diners ☐ Visa

Card account number: _____

Expiry date: _____

Signature: _____

Name: _____

Address: _____

City/Country: _____

27-1-87

To inaugurate its centennial year, the International Herald Tribune is proud to announce

THE PARIS LIBERTY FLAME APPEAL

The July rededication of the Statue of Liberty in the New York harbor has focused new attention on the fact that the Statue was a gift to the United States from the people of France and that a broad cross section of the French public participated in the giving. A purely private organization, the Union Franco-Américaine was organized to raise the necessary funds and over 100,000 individual subscriptions were recorded from 181 towns throughout France. This collective outpouring of affection and goodwill from one people to another was truly unprecedented.

It therefore seemed natural to Americans then living in Europe to express their gratitude, and, in 1885, a group of them gave as a gift to the French people the reduced size replica of the Statue of Liberty which today stands in Paris on the Ile des Cygnes.

In this, the Statue of Liberty's centennial year, it seems appropriate that members and friends of the Franco-American community should make a similar gesture of gratitude and goodwill through an exciting project which has a similar symbolic importance: the creation of a new Paris Flame of Liberty, a striking public monument to be erected on a prominent site in Paris and consisting of a full-sized duplicate of the flame which now glimmers atop the upraised arm of the New York Statue.

The International Herald Tribune, which entered its own one hundredth year in October of 1986, has decided to mark the conjunction of its centennial with that of the Statue of Liberty by sponsoring an international fundraising appeal to make this project possible.

In 1985, when restoration of the Statue of Liberty was started in New York, Les Métalliers Champenois, a group of outstanding French artisans, was asked to undertake the highly specialized work of



building a new flame for the Statue, using a technique called "repoussé," identical to Bartholdi's original method.

Today, Les Métalliers Champenois are ready to begin work on a second such flame, a full-sized replica of the first — with the approval of the United States government and using the same molds that were created for the New York project. The duplicate flame will then be transported to France, where French officials have assured it a warm welcome at a prominent permanent site in Paris. There it will stand as a beautiful and highly visible monument, celebrating the spirit of Liberty and the spirit of international cooperation.

It is estimated that this project (including construction of the duplicate flame, transport and erection in Paris) will cost about U.S. \$400,000 — and this is the amount we are undertaking to raise. Working together with our co-sponsors, Kevin McCarthy Associates, an international law firm located in New York City, the IHT has established a non-profit corporation, France-America Liberty Fund, Inc., as well as a French "association", France-America Liberty Fund, to which tax deductible contributions can be made in both countries. We are pleased that the American Club of Paris has announced their full support and participation in this project.

Founded in Paris on October 4, 1887, the International Herald Tribune is the oldest American newspaper published abroad. Ever mindful of our own deep Paris roots and of the warm relations we

have enjoyed throughout the century with the people of France, we are proud to take the lead in this undertaking.

The France-America Liberty Fund welcomes contributions of any size and will acknowledge all gifts (unless otherwise instructed by the donors) by publishing periodic announcements listing the names of the contributors in the International Herald Tribune. If you contribute \$150 (1,000 FF), we will not only list your name as a Donor in the IHT (unless you prefer to remain anonymous) but you will also receive a desk-top replica of the Liberty Flame.

Contributions of \$1,500 (10,000 FF) from individuals and non-profit organizations will entitle you to have your name engraved on the permanent plaque which will be affixed to the Liberty Flame Monument. Corporate contributions of \$5,000 (33,000 FF) and more will also qualify for such listing.

But whatever the size of your contribution, the importance of this symbol will be enhanced by the broadest possible participation. We hope you will become a part of this important project by forwarding the form below.

To: Assn. France-America Liberty Fund, c/o International Herald Tribune, 181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex.
Or: France-America Liberty Fund, Inc., c/o International Herald Tribune, 850 Third Avenue, New York, N.Y. 10022.

I enclose my check to the order of France-America Liberty Fund, Inc.
☐ I have no objection to my name being published by the IHT in acknowledgement.
☐ I prefer to remain anonymous.

[illegible]

(Continued on next left-hand page)

INTERNATIONAL STOCK MARKETS

Hong Kong Still Sensitive To Shifts on the Mainland

By PATRICK L. SMITH
International Herald Tribune

HONG KONG — New York was not the only market where investors heard the wind whistle past their ears last week. For entirely different reasons, trading in Hong Kong ended Friday just about where it had started five sessions earlier.

Hu Yaobang's forced resignation as head of the Chinese Communist Party sent a major tremor through the Hong Kong market. The Hang Seng index dropped more than 80 points in the first full session that followed the announcement of Mr. Hu's departure, and 80 more before noon the next day. On paper, at least, that is a loss of about \$3.3 billion.

It was not until Hong Kong heard reassuring words from both Deng Xiaoping, China's paramount leader, and Xu Jiannu, the senior Chinese emissary in Hong Kong, that trading began to recover.

The local index ended Monday at 2,484.35 points, 15.08 lower than Friday's close. Despite the day's loss, analysts are braced for rises after the lunar new year celebrations, which will end next week. Most predict a Hang Seng of at least 3,000 by midyear.

But perceptions have been subtly altered. The local share market has proven far more vulnerable to political shifts on the Chinese mainland than many participants had thought.

Until last week, most analysts asserted without hesitation that investors had fully digested Hong Kong's return to China in 1997, when Britain's colonial leases expire. Now the same analysts anticipate a prolonged period of "uncertainty," as one put it.

"This market has to mature," said a senior fund manager. "It has to decide whether it believes in the agreement between Britain and China and whether the open-door policy is here for keeps, or if it is the work of one man."

Many traders attribute the market's dramatic drop last week in part to nervous Japanese institutions, which have been investing heavily in Hong Kong since the Tokyo market dipped late last year. But selling, by all accounts, was across the board.

WHAT HAS KEPT both local and overseas investors from straying too far from Hong Kong's orbit, analysts assert, is a simple "flow-of-funds" phenomenon. With medium-term economic uncertainty surrounding such markets as New York and Tokyo, this market remains among the most attractive relative to the alternatives open to equity investors.

"Interest rates being what they are, what one has to watch is where money is going and the local economy supporting a market," said Casper Li, the research director at Vickers de Costa & Co., Hong Kong, Singapore and some other Pacific markets are simply going to outperform most others this year.

Like most markets, Hong Kong is currently trading well within the range of its historic price/earnings ratio. But Hong Kong's P/E 15, is much lower than those of many other exchanges. And economic growth, forecast at 6 percent to 7 percent this year, is likely to be well above that of most other trading centers.

Nonetheless, the renewal of political uncertainty in China is fostering a more defensive strategy among many traders. It also is reinforcing a tendency among overseas institutions, in particular, to stay close to blue-chip stocks — properties, utilities, the "Hongs" — and solid bargains among second-line shares.

Of the Hongs, or old-line British trading houses, analysts favor Hutchison because of its property assets and its diversified mix of businesses, as well as Hong Kong Electric, a Hutchison associate. The imminent de-merger of Jardine Matheson and Hongkong Land is also attracting attention.

Currency Rates

Cross Rates	Jan. 26	Jan. 27
American dollar	100.00	100.00
British pound	1.645	1.645
French franc	6.55	6.55
German mark	1.36	1.36
Italian lira	2036	2036
Japanese yen	164	164
Netherlands guilder	3.60	3.60
Spanish peseta	166.64	166.64
Swiss franc	1.48	1.48
West German mark	1.36	1.36
Yen	164	164

Interest Rates

Rate	Jan. 26	Jan. 27
1 month	8.00%	8.00%
3 months	8.00%	8.00%
6 months	8.00%	8.00%
1 year	8.00%	8.00%

Key Money Rates Jan. 26

Rate	Jan. 26	Jan. 27
1 month	8.00%	8.00%
3 months	8.00%	8.00%
6 months	8.00%	8.00%
1 year	8.00%	8.00%

U.S. Money Market Funds Jan. 26

Fund	Jan. 26	Jan. 27
1 month	8.00%	8.00%
3 months	8.00%	8.00%
6 months	8.00%	8.00%
1 year	8.00%	8.00%

Markets Closed

Markets in Australia and India were closed Monday for holidays.

Exxon Net Down in Quarter

But Year's Profit Was 10% Higher

United Press International

NEW YORK — Exxon Corp., the world's largest oil company, reported Monday that its fourth-quarter earnings dropped nearly 18 percent, but profit for the year was up 10 percent.

Analysts said Exxon's performance for the quarter and the year were slightly better than expected. Amoco Corp., the fifth-largest U.S. oil company, said its fourth-quarter earnings fell 58 percent. It blamed the slump in crude oil prices last year.

Atlantic Richfield Co., ranked sixth, said its fourth-quarter earnings declined 55 percent, and also blamed lower oil prices.

Amerasia Hess Corp., the 15th-largest U.S. oil company, recorded a fourth-quarter profit of \$58.34 million in contrast to a loss a year earlier.

New York-based Exxon, the world's second-largest industrial concern after General Motors Corp., said that profit in the fourth quarter was \$1.48 billion, or \$2.06 a share, down from \$1.8 billion, or \$2.43 a share, a year earlier.

It said the main reason was that petroleum product prices did not keep pace with the modest rebound in world oil prices.

Revenues slipped 23 percent to \$18.83 billion from \$24.33 billion. For 1986, Exxon's earnings increased to \$5.36 billion, or \$7.42 a share, from \$4.87 billion, or \$6.46 a share, in 1985. But revenues declined 18 percent to \$76.24 billion from \$92.86 billion the year before.

"World crude prices rose modestly in the fourth quarter, but the improvement did not counter the substantial deterioration in prices since the fourth quarter of last year," Exxon's chairman, Lawrence G. Rawl, said.

"Consequently, earnings from exploration and production operations continued at levels significantly below last year."

Oil prices plunged to a 12-year low of \$8 a barrel last July from \$28 in December 1985 before bouncing back to the \$15 range in September.

Oil finished the year around \$17 a barrel after the Organization of Petroleum Exporting Countries' accord in December to cut production.

Sanford Margolis, analyst at Shearson Lehman Brothers Inc., said that "crude oil prices tend to recover more rapidly than petroleum products."

Dollar's Fall May Offset Rise in Gulf Oil Income

By Stephen Jukes
Reuters

MANAMA, Bahrain — Hopes that a price accord by the Organization of Petroleum Exporting Countries would ease the fiscal problems of member nations may be thwarted by the dollar's decline, economists said Monday.

The economists pointed out that the dollar's latest plunge would further increase the cost of non-dollar imports to the region, offsetting efforts to reduce huge current-account deficits.

Saudi Arabia's deficit grew by an estimated 70 percent last year to about \$22 billion, one of the world's largest. Other Gulf countries saw their surpluses shrink or turn into deficits as oil prices fell sharply and other crucial sources of revenue declined amid a regional recession.

Hopes had been running high that OPEC's decision in December to limit output and raise prices would bolster members' economies and reverse the deficit trend. The accord already has raised oil prices by about \$3 a barrel.

But rising oil revenues coincided with the dollar's fall against the West German and Japanese currencies.

"Gulf nations will see their current-account deficits widen this year," warned Richard Stutely, chief economist at Burgin Bank Sak in Kuwait, "unless they cut imports or oil prices rise significantly further."

Current account measures a country's trade in goods and services as well as interest, dividends and certain transfers.

Economists calculate that the joint current-account deficit of the six members of the Gulf Cooperation Council was about \$21.5 billion last year after a shortfall of just \$330 million in 1985.

Saudi Arabia's huge current-account deficit was offset by the small combined surplus of the other five countries, although all of the nations' payments positions deteriorated sharply.

Kuwait's surplus slipped to about \$1.25 billion from \$5.6 billion in 1985, while Oman recorded a current-account deficit of about \$1.6 billion after a 1985 surplus of \$223 million, according to Burgin Bank's projections.

Oil revenue in the six countries declined by about 40 percent in 1986 to less than \$40 billion, compared with a 1981 peak of \$156 billion. Based on current oil prices of



Money brokers stay busy in Tokyo as the falling dollar hovers around 150 yen.

Land of the Rising Yen Is Troubled

Japan Feels It Has Done Enough to Help America

By John Burgess
Washington Post Service

TOKYO — The yen's surge this month to still more record highs against the dollar has caused a new chill in business confidence in Japan and some veiled resentment against the United States.

U.S. officials, many Japanese feel, have either been talking the yen up or standing by idly while speculators have pushed it to levels that threaten more damage to the Japanese economy.

The current climb began in December, just as the Japanese were beginning to think the yen had finally stabilized. At around 160 to the dollar, it seemed to have ended a rapid rise that began in September 1985. People also thought the United States had agreed to help hold it there.

With the dollar heading toward 150, Japan's central bank bought billions of dollars this month in a solitary effort to control the rise. When it touched the high 140s briefly last week, Finance Minister Kiichi Miyazawa flew to Washington to seek help.

The Japanese feel they already have made large — and sufficient — sacrifices by helping bring the yen up from the 240 zone that prevailed 16 months ago. They now want to draw the line.

Talk in Washington that it must go even higher if the imbalance in Japan-U.S. trade is to be controlled is dismissed here as unfair and uninformed.

In volume terms, officials here say, Japan's overall trade surplus began to fall in 1986. They predict that in 1987, the dollar measure of the gap, the measure that Congress cares most about, will start to decline too.

Tokyo is worried now that the new Democratic-controlled Congress will prove impatient and pass the very sort of anti-Japanese trade legislation that the painful currency realignment was supposed to prevent.

"I am very much concerned about the difference between the political clock and the economic clock," said Michihiko Kunitomi, chief of the Japanese cabinet committee on external affairs.

The sixth member of the Gulf Cooperation Council, Kuwait, links its dollar to a basket of currencies, although economists estimate that the dollar has a weighting of 75 to 80 percent.

Mr. Stutely estimated that about 7.5 percent of the council countries' imports came from West Germany and 18.5 percent from Japan.

With deflationary pressures already at work in most of the Gulf Cooperation Council states, economists are skeptical about the ability or will of economic planners to reduce imports further.

Plans to increase revenues center on services and tourism, but the impact of such efforts is expected to be small in comparison with the effect of the lower dollar.

For private citizens, the significance of the dollar's slide has been underlined by steep increases in the cost of Japanese cars. The prices of luxury West German vehicles have risen nearly as sharply.

In Saudi Arabia, the declining value of the dollar will bring a sharp rise in the cost of imported machinery and military hardware, economists say. The kingdom's military expenditures are estimated at \$6.8 billion (1986) for this year, 35.8 percent of its budget.

The currencies of four of the countries, Saudi Arabia, Qatar, the United Arab Emirates and Bahrain, are officially linked to the dollar.

ELOF HANSSON THE GLOBETROTTER

The international trading house active in pulp, paper, machinery, chemicals, timber, building material, textiles, foodstuffs, steel, consumer goods.

Elof Hansson
For information, please write to
Audemars Pignet & Co. S.A., 1348 Le Brassus, Switzerland

EC Ministers Appeal to U.S. to Avert Trade War

BRUSSELS — European Community foreign ministers appealed publicly Monday to the United States to show further flexibility to avert the "grave" consequences of a full-fledged trade war.

The 12 ministers also authorized the European Commission, the community's executive body, to increase by 20 percent its offer of compensation to the United States for the loss of grain markets since Spain joined the trade bloc a year ago.

The Council of Ministers told commission negotiators that they could guarantee foreign exporters duty-free access to the EC for two million metric tons of corn, the import that was most affected by Spain's entry into the EC.

The community had originally offered to import 1.6 million tons of corn duty-free in a bid to resolve the dispute.

Washington has officially estimated the lost Spanish market at more than 4 million tons of corn and sorghum a year, of which 2.8 million tons would be of U.S. origin, and demanded \$400 million in compensation.

It has said it will impose prohibitive import duties of 200 percent on a range of EC imports on Friday if the community does not offer wider compensation.

Sir Geoffrey Howe, the British foreign secretary, said that the EC clearly preferred to "break out of a cycle of retaliation and counter-retaliation that can cast a shadow over wider relationships."

The statement appealing to Washington for more flexibility was issued after the ministers heard a report from the chief EC negotiator, External Relations Commissioner Willy de Clercq, that differences had narrowed in talks in Washington over the weekend.

But a solution acceptable to both sides has not been found, the EC Council of Ministers said.

"The council confirms its hope that such a solution would be reached," the statement said, "and calls on the United States to contribute in such a way as to avert the grave and prejudicial consequences of a trade war."

The appeal was intended to emphasize the EC's support for Mr. de Clercq in his efforts to obtain further concessions in talks Tuesday and Wednesday with the chief U.S. negotiator, Trade Representative Clayton K. Yeutter.

Mr. de Clercq and Mr. Yeutter are expected to resume their negotiations through a video link in the hope of reaching agreement by Friday, the ministers said.

Sir Geoffrey declared that "thanks to the tenacity and skill of community negotiators, there were now hopes of a deal by the end of the month." But commission officials were slightly more cautious.

Although Mr. de Clercq has a clear notion of what EC member states are prepared to accept, they said, only the negotiations will show whether that compensation is acceptable to the United States.

They said that Mr. de Clercq also was authorized to offer Washington compensation in the form of tariff reductions on other U.S. exports, including industrial goods and processed foods.

President Ronald Reagan has already signed an order that will automatically introduce the 200 percent tariffs on several EC products at the end of the month, including French brandy, British gin and some white wines from France and Italy.

The EC is prepared to retaliate with heavy duties on its imports of corn gluten feed.

Unemployment In France Hit Record in '86

PARIS — Unemployment hit record levels at the end of 1986, government figures showed Monday.

The Labor Ministry and the National Statistics Institute said that 2.57 million people were out of work at the end of December, 5.5 percent more than at the end of 1985. Before allowing for seasonal factors, the number was 2.69 million.

The seasonally adjusted unemployment rate rose to 10.7 percent of the work force at the end of December from 10.6 percent a month earlier and 10.2 percent at the end of 1985.

Labor Minister Philippe Seguin said last September that unemployment could be headed for three million. A downward revision of expectations for economic growth and public-sector strikes have tarnished the prospects for an early turnaround, government officials said.

More business leaders fly ALG than any other private air service in Europe.

ALG
18 jets: DC-8, all Falcons, all Learjets
For further details, please call: 022/28 45 10
Tel. 022/28 45 10
Tel. 022/28 45 10
Tel. 022/28 45 10

THE AUDEMARS PIGUET ROYAL OAK. NOTHING CAN EQUAL THE ORIGINAL.



The Royal Oak. One of the greatest designs of the 20th century.

Audemars Pignet
La plus prestigieuse des signatures.

For information, please write to
Audemars Pignet & Co. S.A., 1348 Le Brassus, Switzerland

Experts
ngola Leads
Rebels De
ine in US
Beijing Crackdown
Chaudhry
Report a Clash
With Libya

BUSINESS ROUNDUP

IBM Plans a 6-Processor Computer

NEW YORK — International Business Machines Corp. announced on Monday plans for its most powerful computer and revamped the rest of its 3090 series of big mainframe machines.

Some analysts said the new computers would force price cuts by IBM's competitors, possibly including Digital Equipment Corp., the successful maker of midsize computers that announced last week that it was invading IBM's profitable mainframe field.

"IBM effectively neutralized the aggressive moves made by DEC," said Robert Fertig, president of Enterprise Information Systems. "I think DEC must cut prices now on a product they haven't even delivered."

The biggest computer unveiled Monday, the 3090 Model 600E, has six processors — the part that carries out calculations — and up to 60 percent more power than the previous top of IBM's line, the company said.

Analysts estimated it could execute 75 million to 90 million instructions a second, making it the most powerful computer available commercially.

The first customers are likely to be airlines, banks and other companies that handle many transactions and need more power, analysts said.

"IBM is in perhaps as good a position as any to satisfy that demand, given only that the economy picks up so the users can afford to buy the extra power," said Donald Haback, an analyst for Nikko Securities Co. International.

IBM's mainframe business has been hurt by sluggish capital spending among its customers. Last week the company reported a 48.2 percent decline in its profit in the last three months of 1986.

In addition to the 3090 Model 600E, the company announced the Model 300, a somewhat smaller mainframe containing three processors, and improved versions of the four current members of its 3090 mainframe family.

IBM said the new computers

would improve by 25 to 36 percent the amount of computing power at any given price.

The upgrades will be completed starting in May and the new models, the 300E and 600E, will be available starting in the July-September period, IBM said.

IBM is the world's largest computer company and has about 70 percent of the worldwide market for the big computers known as mainframes.

Last week Digital announced two clusters of its VAX computers that it said were as powerful as IBM's 3090 Models 200 and 400, which used to be the most powerful IBM mainframes.

But Mr. Fertig said the IBM computers could handle bigger jobs than the Digital computers because their processors work together more closely.

The 3090 models use a memory chip that can store one million bits of information, but runs twice as fast and takes up a third less space than IBM's original one-million-bit chip, the company said.

The introductions give IBM six computers in its 3090 series of mainframes: the 150E, the 180E, the 200E, the 300E, the 400E and the 600E. Prices for the computers, not including software or extra equipment, range from \$1.65 million to \$11.5 million.

Share Trading Suspended in Cathay, Swire

HONG KONG — Trading was suspended Monday in the shares of Hong Kong's Cathay Pacific Airways and its parent, Swire Pacific Ltd., at the request of both companies, amid rumors that a Beijing investment company would buy a minority stake in Cathay, stockbrokers said.

According to the rumors, dealers said, China International Trust & Investment Corp. will purchase a 5 percent stake in the airline for an estimated 800 million Hong Kong dollars (\$103.15 million) from Swire Pacific, which owns about 53 percent of Cathay Pacific.

Dealers said CITIC was expected to offer Swire Pacific around 6 dollars for each Cathay share, compared with Friday's closing of 5.60 dollars.

A Swire spokesman would not comment on the rumors but said the trading suspension was necessary as Swire and Cathay were considering a corporate proposal that might affect the companies' share prices.

Swire Pacific closed Friday at 19.20 dollars.

AMC Workers Will Extend Talks on Modernizing Plant

DETROIT — American Motors Corp. said Monday that its union workers had agreed to continue talks on a new labor contract past the deadline.

AMC, which has had only one profitable year this decade, has been at odds with local unions of the United Automobile Workers over a contract that the company seeks to reduce costs at its car assembly complex in Kenosha, Wis.

The company calls the contract crucial to a \$250 million plan to keep its only U.S. car plant operating.

AMC says the plant modernization is needed before it can begin to build a new line of Jeep vehicles at the Kenosha plant. It is the oldest operating auto complex in the United States.

AMC is also negotiating with Chrysler Corp. to build a line of Chrysler's small cars at the plant in a five-year contract assembly arrangement.

Referring to the Chrysler project, a spokesman for AMC said, "We obviously can't commit until we know what our labor costs are going to be five years in the future."

He said AMC officials would seek more time from Chrysler if

labor talks seem likely to go beyond the Jan. 30 deadline that Chrysler specified for concluding an agreement.

Base Price for Medallion

AMC has set the base price for its 1988 Renault Medallion, the car on which it has pinned its comeback hopes, at \$9,965 for the four-door sedan. The Associated Press reported Monday from Detroit.

Base prices for the four-door wagon will be \$10,693 and for the LX version of the sedan, \$10,497. The Medallion is built in France and will go on the U.S. market March 1. Renault controls 46.4 percent of AMC stock.

Ford offers incentives on some cars, trucks

DEARBORN, Michigan — Ford Motor Co. said Monday it was offering new cut-rate loans on selected cars and compact trucks ranging from 3.9 percent to 9.9 percent as well as \$600 in cash allowances to customers.

Ford's program, which will last until March 23 for trucks in stock and until March 31 for cars, follows incentives announced by General Motors Corp. and Chrysler Corp.

After Mergers, 9 Airlines Control 94% of U.S. Market

WASHINGTON — A number of mergers and acquisitions in the U.S. airline industry is nearly complete and nine major carriers have emerged with more than nine-tenths of the market, according to a report by a firm that analyzes the airline industry.

"Consolidation is now history," Lee R. Howard, executive vice president of Airline Economics Inc., said.

The nine major carriers, and their newly acquired affiliates, control 94 percent of the market, George W. James, the firm's president, said. The nine carriers are: Texas Air Corp., American Airlines, United Air Lines, Delta Air Lines, Northwest Airlines, Pan American World Airways, Trans World Airlines, USAir and Piedmont Airlines.

"Looking for who's going to be whose dancing partner is not going to be nearly as interesting in the future," Mr. James said, releasing his company's annual forecast.

In the past 15 months, there have been 25 mergers, all involving the nine major carriers, he said. While more mergers and acquisitions will occur, such activity will not be as dramatic as in 1986, he said.

In the long run, Mr. James said, the industry will be dominated by six to eight carriers with little opportunity for others to get a footing. Fares probably will rise, but not as fast as the cost of living, he said, because six to eight carriers is enough to ensure competition and it is in the airlines' interest to keep fares low enough to avoid becoming a target for regulation again.

Mr. James said that last year's combined operating profits are expected to be \$1.4 billion, the same as in 1985. This year, operating profits are expected to increase to about \$1.6 billion to \$1.8 billion. Airline employment reached a record level of 380,000 in 1986.

"This year, the industry is going to have a really good first quarter, but the last nine months will not be all that great," Mr. James said. Rising fuel costs will contribute to relatively lower profits, but the industry will benefit from lower labor costs, he said.

Tool Orders Fell 16% in U.S. in '86

By Calvin Sims

NEW YORK — New orders for U.S.-made machine tools rose 2.6 percent in December from November, but orders for all of 1986 fell 16 percent from the previous year, a trade group reported Monday.

The National Machine Tool Builders' Association and industry analysts attributed the overall decline to a sluggish economy and to anticipation of the new tax law. They particularly cited provisions eliminating the investment tax credit and lengthening depreciation schedules.

"By taking away tax credits and extending the life of the equipment," said Charles Pollock, a spokesman for the association, "the government has effectively discouraged companies from making capital investments."

Machine tools are power-driven devices used to shape metal parts, from tractor gears to vacuum cleaner motors. Their sales are a major indicator of capital spending by producers of metal products, mainly the automobile, aerospace, and manufacturing industries.

The association said that new orders for machine tools edged to \$136.1 million in December, from \$132.6 million in November. Analysts said that such a gain generally occurs at the end of each quarter as customers anticipate production needs for the coming period.

Orders bobbed up and down in 1986, totaling \$2.13 billion compared to \$2.53 billion in 1985.

Andrew Silver, a machinery analyst with Donaldson, Lufkin & Jenrette, said that there was excess capacity in many industries. Regular machine-tool customers such as automakers were simply not in need of new equipment, he said.

COMPANY NOTES

Arabian Investment Banking Corp.'s net income in 1986 rose 25 percent to \$15.2 million, the highest in the Bahrain-based bank's four-year history. The bank, which is known as an investment and specializes in investment, has recommended an unchanged payment to shareholders of \$7.5 million in dividends.

ARC America Corp., part of the Consolidated Gold Fields PLC group, has signed a definitive contract to acquire American Aggregates Corp., a sand and gravel company of Greenville, Ohio, for \$30.625 a share cash, or about \$242 million.

Bechtel Industries Inc. said it formed Global Motors Inc., which will become the parent company of Yugopac America Inc., which imports the \$3,990 Yugopac from Yugoslavia, and of Proton America Inc., which will import a new car from Malaysia called the Proton Saga.

Chabry Corp. will acquire all of the Ambros common and preferred stock it does not already own. Chabry, a holding company based in Greenwich, Connecticut, with interests in defense contracting, now owns about 84 percent of the voting power of Ambros. Ambros, of Clearwater, Florida, makes ice cream bars and through a subsidiary develops oil and gas properties.

Ericsson Radio Systems, a unit of Sweden's L.M. Ericsson, and Siemens AG of West Germany will jointly develop a digital mobile telephone system. Terms were not disclosed.

The Federal National Mortgage Association plans a common stock offering of about 8 million shares to be sold in the United States and internationally. The

chairman, David Maxwell, said the timing, the price of the stock and exact number of shares issued will depend on market conditions.

Grow Group Inc., a specialty coatings and chemicals company, plans to spin off to shareholders the operations of its Enviro-Spray and Thermojet operations as Grow Ventures Corp. On March 31, Grow Group shareholders will receive one Grow Ventures share for each five shares of Grow Group held of record on March 17.

Matsushita Electric Industrial Co. has set up a joint venture in West Germany with Quick-Rotan Elektromotoren GmbH to produce motors for office equipment. Matsushita Electric Motor (Europe) GmbH, capitalized at 5 million Deutsche marks (\$2.75 million), is owned 95 percent by Matsushita and 5 percent by Quick-Rotan.

Northern Telecom said fourth-quarter earnings were \$125.9 million, or \$1.07 a share, up 50 percent from \$83.8 million, or 72 cents a share, a year earlier. For the year, earnings were up 4.7 percent to \$286.6 million, or \$2.45 a share, from \$273.8 million, or \$2.36 a share, in 1985.

Perrier SA, the French drinks group, has set up a marketing unit in Tokyo, Perrier Ricard Japan. It will also establish a joint venture in China, to be called Beijing Friendship Winery Co., in which two national companies, Beijing Winery and China Economic Development Inc., are to have a majority stake and Perrier Ricard will have 28 percent.

OIL: Exxon, Amoco, Arco Had Lower Net in Quarter

(Continued from first finance page)

leum product prices, putting a squeeze on refining and marketing margins.

But, he said: "Exxon once again has demonstrated it is a superior company and an outstanding performer among the major oils."

Exxon's fourth-quarter results included a one-time gain of \$495 million from corporate restructuring and the sale of its Manhattan office building and Reliance Electric subsidiary.

The quarterly earnings were reduced by \$210 million by the new tax laws governing major U.S. pension funds and the retroactive repeal of investment tax credits.

Exxon, which slashed its capital exploration and spending budget

to \$7.21 billion in 1986 because of the oil price collapse, said it plans to spend only \$6.5 billion in 1987.

In Chicago, Amoco said that its fourth-quarter earnings slid to \$165 million, or 65 cents a share, from \$390 million, or \$1.51 a share, a year earlier. Revenues were down 35 percent to \$4.8 billion from \$7.4 billion.

In 1986 Amoco earned \$747 million, or \$2.91 a share, down 62 percent from \$1.95 billion, or \$7.42 a share, in 1985. Revenues declined 30 percent to \$20.2 billion from \$28.9 billion.

Los Angeles-based Atlantic Richfield said its fourth-quarter earnings dropped to \$64 million, or 35 cents a share, from \$142 million, or 73 cents a share, a year earlier.

Revenues slipped 33 percent from \$5.5 billion to \$3.7 billion. In 1986, Arco had net earnings of \$615 million, or \$3.38 a share, in contrast to a loss of \$202 million in the 1985.

Revenues in 1986 decreased 33 percent to \$15.1 billion from \$22.5 billion in 1985.

Amerada Hess reported a fourth-quarter profit of \$58.34 million, or 69 cents a share, in contrast to a loss of \$365.82 million a year earlier. Revenues fell 53 percent to \$923.47 million from \$1.98 billion.

For the year, New York-based Amerada had a loss of \$219.44 million, compared with a loss of \$260.4 million in 1985. Revenues dropped 47 percent to \$4.06 billion from \$7.72 billion in 1985.

FDA Tests Recommend Approval of Upjohn Baldness Drug

By Irwin Arief

WASHINGTON — U.S. Food and Drug Administration staff documents advise that Upjohn Co.'s controversial Rogaine baldness drug be approved for marketing although its effect is limited and it poses risks to people with heart disease.

FDA staff reviews of the drug, also known as Minoxidil, have concluded that it is sufficiently safe and effective to meet U.S. standards for approval, according to the staff documents and interviews with a former agency official.

Rogaine was to have been reviewed by the agency's dermatologic drugs advisory committee on Monday but a heavy snowfall canceled the meeting. It has not yet been rescheduled.

Approval by the committee would be given great weight by the FDA in deciding whether to give the drug final marketing approval.

When taken orally, the drug has been approved as treatment for high blood pressure. Upjohn is now seeking FDA approval of it as a male baldness cure when put directly on the skin in liquid form.

FDA reviews of clinical tests indicate that the drug was effective to a limited extent in spurring hair growth on bald heads. The documents concluded that it sometimes took months before hair growth was seen and that new hairs fell out in the months after a person stopped applying the drug.

Rogaine, if approved, will be expensive. In Canada, where it is on the market, a month's dose is selling at retail for \$45 to \$50, according to an Upjohn spokesman.

The drug also has a side effect on some people, according to the former FDA official. "There have been a number of cases of patients who had exaggerated erections as a result of the drug," said Stewart Ehrlich.

proposed as treatment for high blood pressure. Upjohn is now seeking FDA approval of it as a male baldness cure when put directly on the skin in liquid form.

FDA reviews of clinical tests indicate that the drug was effective to a limited extent in spurring hair growth on bald heads. The documents concluded that it sometimes took months before hair growth was seen and that new hairs fell out in the months after a person stopped applying the drug.

Rogaine, if approved, will be expensive. In Canada, where it is on the market, a month's dose is selling at retail for \$45 to \$50, according to an Upjohn spokesman.

The drug also has a side effect on some people, according to the former FDA official. "There have been a number of cases of patients who had exaggerated erections as a result of the drug," said Stewart Ehrlich.

A former deputy director of the FDA's cardio-renal division, he conducted the staff's safety review of Rogaine before leaving the agency three months ago. He is now a consultant with Biometric Research Institute in Arlington, Virginia.

Mr. Ehrlich said that exaggerated erection was a common effect among drugs in Rogaine's class, which are called vaso-dilators because they open the body's blood vessels.

Among other possible adverse reactions, he said, were dizziness, fainting, low blood pressure and chest pain.

He recommended that doctors be warned that the drug should not be prescribed for people with heart disease, irregular heartbeat or heart-valve problems.

Upjohn stock rose sharply on news of the favorable review, climbing \$5 to close at 115.5 on Monday.

U.S. Opposes Baker-Hughes Tool Merger

The Associated Press

WASHINGTON — The Department of Justice has said it will sue to block the merger of two of the world's largest producers of oil-well drilling equipment, Hughes Tool Co. of Houston and Baker International Corp. of California.

The proposed merger would violate the Clayton antitrust act by lessening competition in two major markets of the drilling industry, Charles F. Rule, acting assistant attorney general in charge of the Justice Department's antitrust division, said Sunday.

The companies, with combined total sales of \$3.2 billion in 1985, are two of four major producers of tricone rock bits and electric submersible pumps used in oil wells, officials said.

"If this merger is allowed to proceed there will be only three significant competitors in each market," Mr. Rule said.

The merger would force up prices within the oil industry, he said.

Tricone rock bits, with steel teeth or tungsten carbide inserts, are used to drill for oil. Electric submersible pumps are placed at the bottom of an oil well and lift oil to the surface.

A Baker executive said he hoped that negotiations with the department could head off the suit and allow the merger to proceed.

The Justice Department has indicated that it would drop its opposition to the merger if Baker were to sell off the rock bit and pump operations, said Max Luken, vice president and chief financial officer of the Orange, California, company.

The two struggling oil-field services companies announced on Oct. 22 that they planned to merge in a stock-swap agreement valued at \$456.5 million.

The agreement, approved by both companies' directors, would create a new company named Baker-Hughes Inc. to be headquartered in Houston.

To lock up the agreement, each company granted the other the right to buy 18.5 percent of the other's stock, and Borg-Warner Corp., which owns 18.6 percent of

Hughes Tool's stock, agreed to vote in favor of the agreement.

Under the agreement, each share of Hughes Tool would be exchanged for four-fifths of a share of the new company.

Each Baker share would be swapped for one share in the new company.

A Justice Department spokesman put the value of Hughes stock at \$450 million and the value of Baker stock at \$750 million.

Hughes shares closed at \$10 Monday, 37.5 cents lower, on the New York Stock exchange. Baker was down 30 cents to \$13.625.

FOREIGN & COLONIAL RESERVE ASSET FUNDS	
PRICES AT 2:15 P.M.	
A: U.S. DOLLAR "CASH"	\$10.32
B: MULTICURRENCY "CASH"	\$13.51
C: DOLLAR BONDS	\$13.02
D: MULTICURRENCY BONDS	\$14.67
E: STERLING BONDS	\$11.17
F: DEUTSCHMARK BONDS	DM10.56
G: YEN BONDS	YEN109.00
H: ECU BONDS	ECU10.88
I: STERLING EQUITY	\$10.47
M: U.S. EQUITIES	\$12.27
N: JAPANESE EQUITIES	YEN1032.00
O: GLOBAL EQUITIES	\$10.56
X: STERLING "CASH"	\$10.31
Z: GOLD	\$10.11
FOREIGN & COLONIAL MANAGEMENT (JPMORGAN) LIMITED	
14 MILECASTLE STREET, LONDON, E.C.4	
TEL: 033 47471	
FOR OTHER F & C FUNDS, SEE INTERNATIONAL FUNDS LIST	

Chemical Bank Home Loans

Special Terms for UK Mortgages

* 100% mortgages for expatriates

* highly competitive rates

Phone Barrie Lewis-Ranwell on 01-380 5186

Her power stirred up in me a passion for the open road.



A new way of life on the road. This is what the Renault 25 V6 Turbo brings you, thanks to de-verse use of space and interior design. The A.B.S. anti-lock braking system is standard on the Renault 25 V6 Turbo. It regulates the brake pressure electronically on each of the wheels, in terms of tyre road adherence. The new engine of the Renault 25 V6 Turbo impressively illustrates the advance that Renault has achieved in Turbo technology. For performance, reliability, safety and comfort, the Renault 25 V6 Turbo today sets the standard against which other top-of-the-range European cars are judged.

Renault 25 V6 Turbo Injection

She's a species apart.

Maximum speed 225kph. A.B.S. (Anti-lock braking system). Power 182bhp. Acceleration 0-100kph: 7.7. Torque 28.6mkg at 3000rpm.

	Open	High	Low	Close
1000	1000	1000	1000	1000
1001	1001	1001	1001	1001
1002	1002	1002	1002	1002
1003	1003	1003	1003	1003
1004	1004	1004	1004	1004
1005	1005	1005	1005	1005
1006	1006	1006	1006	1006
1007	1007	1007	1007	1007
1008	1008	1008	1008	1008
1009	1009	1009	1009	1009
1010	1010	1010	1010	1010
1011	1011	1011	1011	1011
1012	1012	1012	1012	1012
1013	1013	1013	1013	1013
1014	1014	1014	1014	1014
1015	1015	1015	1015	1015
1016	1016	1016	1016	1016
1017	1017	1017	1017	1017
1018	1018	1018	1018	1018
1019	1019	1019	1019	1019
1020	1020	1020	1020	1020
1021	1021	1021	1021	1021
1022	1022	1022	1022	1022
1023	1023	1023	1023	1023
1024	1024	1024	1024	1024
1025	1025	1025	1025	1025
1026	1026	1026	1026	1026
1027	1027	1027	1027	1027
1028	1028	1028	1028	1028
1029	1029	1029	1029	1029
1030	1030	1030	1030	1030
1031	1031	1031	1031	1031
1032	1032	1032	1032	1032
1033	1033	1033	1033	1033
1034	1034	1034	1034	1034
1035	1035	1035	1035	1035
1036	1036	1036	1036	1036
1037	1037	1037	1037	1037
1038	1038	1038	1038	1038
1039	1039	1039	1039	1039
1040	1040	1040	1040	1040
1041	1041	1041	1041	1041
1042	1042	1042	1042	1042
1043	1043	1043	1043	1043
1044	1044	1044	1044	1044
1045	1045	1045	1045	1045
1046	1046	1046	1046	1046
1047	1047	1047	1047	1047
1048	1048	1048	1048	1048
1049	1049	1049	1049	1049
1050	1050	1050	1050	1050
1051	1051	1051	1051	1051
1052	1052	1052	1052	1052
1053	1053	1053	1053	1053
1054	1054	1054	1054	1054
1055	1055	1055	1055	1055
1056	1056	1056	1056	1056
1057	1057	1057	1057	1057
1058	1058	1058	1058	1058
1059	1059	1059	1059	1059
1060	1060	1060	1060	1060
1061	1061	1061	1061	1061
1062	1062	1062	1062	1062
1063	1063	1063	1063	1063
1064	1064	1064	1064	1064
1065	1065	1065	1065	1065
1066	1066	1066	1066	1066
1067	1067	1067	1067	1067
1068	1068	1068	1068	1068
1069	1069	1069	1069	1069
1070	1070	1070	1070	1070</

L									
4	10	15	20	25	30	35	40	45	50
5	10	15	20	25	30	35	40	45	50
6	10	15	20	25	30	35	40	45	50
7	10	15	20	25	30	35	40	45	50
8	10	15	20	25	30	35	40	45	50
9	10	15	20	25	30	35	40	45	50
10	10	15	20	25	30	35	40	45	50
11	10	15	20	25	30	35	40	45	50
12	10	15	20	25	30	35	40	45	50
13	10	15	20	25	30	35	40	45	50
14	10	15	20	25	30	35	40	45	50
15	10	15	20	25	30	35	40	45	50
16	10	15	20	25	30	35	40	45	50
17	10	15	20	25	30	35	40	45	50
18	10	15	20	25	30	35	40	45	50
19	10	15	20	25	30	35	40	45	50
20	10	15	20	25	30	35	40	45	50
21	10	15	20	25	30	35	40	45	50
22	10	15	20	25	30	35	40	45	50
23	10	15	20	25	30	35	40	45	50
24	10	15	20	25	30	35	40	45	50
25	10	15	20	25	30	35	40	45	50
26	10	15	20	25	30	35	40	45	50
27	10	15	20	25	30	35	40	45	50
28	10	15	20	25	30	35	40	45	50
29	10	15	20	25	30	35	40	45	50
30	10	15	20	25	30	35	40	45	50
31	10	15	20	25	30	35	40	45	50
32	10	15	20	25	30	35	40	45	50
33	10	15	20	25	30	35	40	45	50
34	10	15	20	25	30	35	40	45	50
35	10	15	20	25	30	35	40	45	50
36	10	15	20	25	30	35	40	45	50
37	10	15	20	25	30	35	40	45	50
38	10	15	20	25	30	35	40	45	50
39	10	15	20	25	30	35	40	45	50
40	10	15	20	25	30	35	40	45	50
41	10	15	20	25	30	35	40	45	50
42	10	15	20	25	30	35	40	45	50
43	10	15	20	25	30	35	40	45	50
44	10	15	20	25	30	35	40	45	50
45	10	15	20	25	30	35	40	45	50
46	10	15	20	25	30	35	40	45	50
47	10	15	20	25	30	35	40	45	50
48	10	15	20	25	30	35	40	45	50
49	10	15	20	25	30	35	40	45	50
50	10	15	20	25	30	35	40	45	50
51	10	15	20	25	30	35	40	45	50
52	10	15	20	25	30	35	40	45	50
53	10	15	20	25	30	35	40	45	50
54	10	15	20	25	30	35	40	45	50
55	10	15	20	25	30	35	40	45	50
56	10	15	20	25	30	35	40	45	50
57	10	15	20	25	30	35	40	45	50
58	10	15	20	25	30	35	40	45	50
59	10	15	20	25	30	35	40	45	50
60	10	15	20	25	30	35	40	45	50
61	10	15	20	25	30	35	40	45	50
62	10	15	20	25	30	35	40	45	50
63	10	15	20	25	30	35	40	45	50
64	10	15	20	25	30	35	40	45	50
65	10	15	20	25	30	35	40	45	50
66	10	15	20	25	30	35	40	45	50
67	10	15	20	25	30	35	40	45	50
68	10	15	20	25	30	35	40	45	50
69	10	15	20	25	30	35	40	45	50
70	10	15	20	25	30	35	40	45	50
71	10	15	20	25	30	35	40	45	50
72	10	15	20	25	30	35	40	45	50
73	10	15	20	25	30	35	40	45	50
74	10	15	20	25	30	35	40	45	50
75	10	15	20	25	30	35	40	45	50
76	10	15	20	25	30	35	40	45	50
77	10	15	20	25	30	35	40	45	50
78	10	15	20	25	30	35	40	45	50
79	10	15	20	25	30	35	40	45	50
80	10	15	20	25	30	35	40	45	50
81	10	15	20	25	30	35	40	45	50
82	10	15	20	25	30	35	40	45	50
83	10	15	20	25	30	35	40	45	50
84	10	15	20	25	30	35	40	45	50
85	10	15	20	25	30	35	40	45	50
86	10	15	20	25	30	35	40	45	50
87	10	15	20	25	30	35	40	45	50
88	10	15	20	25	30	35	40	45	50
89	10	15	20	25	30	35	40	45	50
90	10	15	20	25	30	35	40	45	50
91	10	15	20	25	30	35	40	45	50
92	10	15	20	25	30	35	40	45	50
93	10	15	20	25	30	35	40	45	50
94	10	15	20	25	30	35	40	45	50
95	10	15	20	25	30	35	40	45	50
96	10	15	20	25	30	35	40	45	50
97	10	15	20	25	30	35	40	45	50
98	10	15	20	25	30	35	40	45	50
99	10	15	20	25	30	35	40	45	50
100	10	15	20	25	30	35	40	45	50

AMEX Highs-Lows

NEW YORK 12
 (10) CdnOcc 8 Darnan 514 01/11

SCIENCE
THE HIT EVERY THURSDAY
A FULL PAGE ON
RECENT DISCOVERIES IN
SCIENCE AND MEDICINE

SCIENCE
THE IHT EVERY THURSDAY
A FULL PAGE ON
RECENT DISCOVERIES IN
SCIENCE AND MEDICINE

SCIENCE
THE IHT EVERY THURSDAY
A FULL PAGE ON
RECENT DISCOVERIES IN
SCIENCE AND MEDICINE

Floating-Rate Notes

Jan. 26

Continued

Dollars

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

Continued

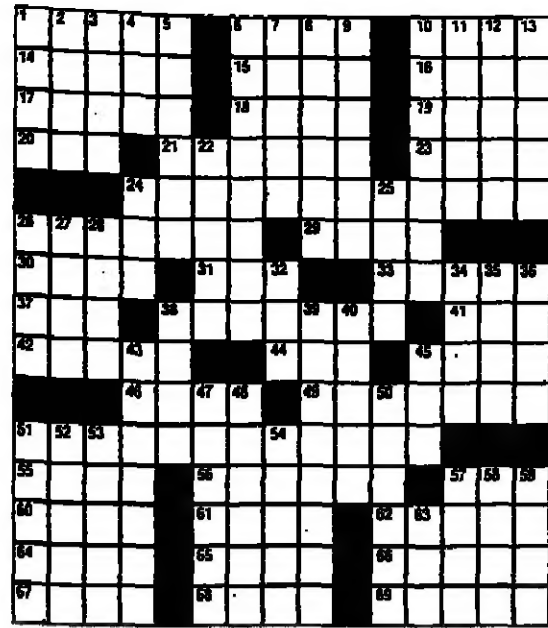
Continued

Continued

[illegible][illegible][illegible]

13-07 99.25	100.25	Source : Credit Suisse-First Boston Ltd., London
-------------	--------	--

[illegible]



ACROSS

1 Push roughly
6 Catherine
10 Kind of sch.
14 Was concerned
15 Sector
16 Former
17 Shaped like
18 A Belgradian
19 Chemical
20 — Aviv
21 Yellowish
22 Sign in the
26 Type of lettuce
29 Bring up
30 What a tug
31 Cash or cloth
32 Irritable
33 An original
34 Gobi and
35 Mojave
36 Tiller's tool
37 Actress
38 Oberon
44 Morning
45 Seeded

DOWN

1 Carlie was
2 Possess
3 Evangelist
4 Experienced
5 Channel
6 Swine's
7 Van Gogh
8 Primer, e.g.
9 Work havoc
10 Get ready
11 Extend a
12 — Gay,
13 Actress-singer
14 Causing goose
15 Viewer-
16 State-
17 Supported TV
18 Meal for
19 Lady's Secret
20 Detail
21 Where vessels
22 Jug
23 Carmine
24 Oxford
25 Hamlet grown
26 Hankering
27 Cancel
28 Germane
29 Strong cord
30 Penny
31 Marshall TV
32 Swine's
33 Confines
34 Greetings in
35 Oahu
36 Recognize
37 Hen tracks on
38 Refrain words
39 Poe's one-word
40 Of the planet
41 Waistcoat
42 Callas was one
43 Employ
44 Proclivity
45 Caviar

PEANUTS



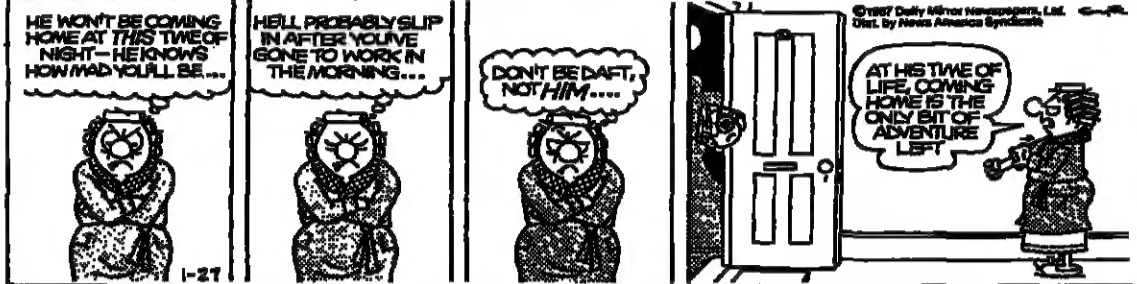
BLONDIE



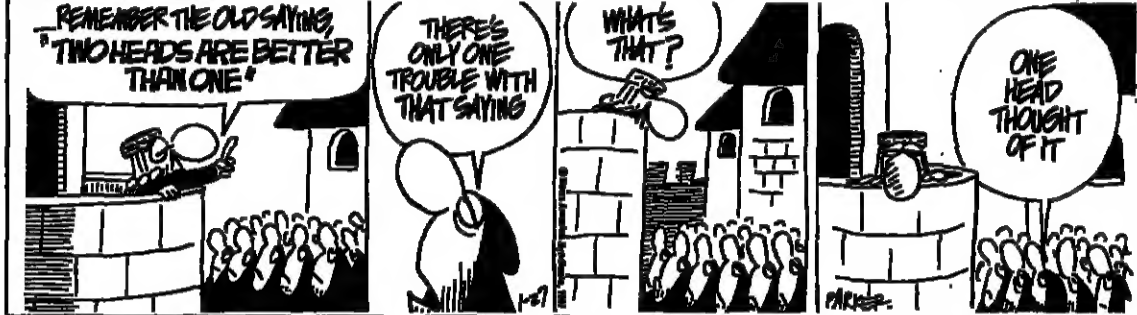
BEETLE BAILEY



ANDY CAPE



WIZARD OF ID



REX MORGAN



GARFIELD



DENNIS THE MENACE



JUMBLE. THAT SCRAMBLED WORD GAME

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

GOSUB

YITED

BYBURG

CAPMIT

Now arrange the circled letters to form the scrambled word game, as suggested by the above cartoon.

Print answer here: A

Yesterday's Jumble: DAILY ENVOY PALATE HECTIC

Answer: What an impeccable man is — A NICE CHAT

WEATHER

EUROPE				ASIA			
Area	High	Low	Temp	Area	High	Low	Temp
Algeria	18	8	13	Beijing	10	4	7
Austria	12	5	9	Bombay	28	22	25
Belgium	10	5	7	Buenos Aires	20	14	17
Canada	12	5	9	Calcutta	30	24	27
France	10	5	7	Chennai	28	22	25
Germany	10	5	7	Colombo	28	22	25
Greece	18	8	13	Dhaka	28	22	25
India	28	22	25	Delhi	28	22	25
Italy	12	5	9	Dhaka	28	22	25
Japan	12	5	9	Dhaka	28	22	25
South Korea	12	5	9	Dhaka	28	22	25
Spain	12	5	9	Dhaka	28	22	25
Sweden	12	5	9	Dhaka	28	22	25
Switzerland	12	5	9	Dhaka	28	22	25
Taiwan	12	5	9	Dhaka	28	22	25
Thailand	12	5	9	Dhaka	28	22	25
U.S.S.R.	12	5	9	Dhaka	28	22	25
U.K.	12	5	9	Dhaka	28	22	25
U.S.A.	12	5	9	Dhaka	28	22	25
West Germany	12	5	9	Dhaka	28	22	25
Yugoslavia	12	5	9	Dhaka	28	22	25

World Stock Markets

Via Agence France-Presse Jan. 26

Closing prices in local currencies unless otherwise indicated.

Market	Index	Change
Amsterdam	3,210.00	+10.00
Brussels	2,100.00	+10.00
Frankfurt	1,200.00	+10.00
London	2,100.00	+10.00
Paris	1,200.00	+10.00
Stockholm	1,200.00	+10.00
Switzerland	1,200.00	+10.00
Vienna	1,200.00	+10.00
Zurich	1,200.00	+10.00

BOOKS

PRESIDENTS' SECRET WARS: CIA and Pentagon Covert Operations Since World War II

By John Prados. 480 pages. \$22.95.
William Morrow, 105 Madison Avenue, New York, N.Y. 10016.

Reviewed by Doyle McManus

HARRY S. TRUMAN tried covert action in Albania, but failed. Dwight D. Eisenhower approved a series of secret wars in his own cautious way, but even his successes were small. John F. Kennedy adopted the idea enthusiastically but was burned in Cuba; by the end of his short term, McGeorge Bundy later wrote, Kennedy acquired "growing recognition that covert action simply did not work and was more trouble than it was worth."

Every American president since World War II, without exception, has approved proposals for secret paramilitary action against other governments. Each in turn has embraced the seductive idea that covert action offers a workable "third option" between diplomacy and war. Yet each administration has also discovered, as John Prados shows in "Presidents' Secret Wars," that covert war fails more often than it succeeds. And each time a paramilitary adventure fails, Prados observes, "American national interest suffers."

Now it is Ronald Reagan's turn. This time, a series of secret projects — in Iran and Nicaragua — has been disclosed while it was still under way, with the president who approved

them (or, perhaps worse, unwittingly condoned them) still sitting in the Oval Office. Reagan is directly responsible, not only because his White House staff launched its own reckless secret operations but also because he has so enthusiastically promoted covert action as a central weapon in a renewed Cold War with the Soviet Union. During the six years of Reagan's tenure, the United States has expanded an existing covert war in Afghanistan, returned to old theaters in Angola and Cambodia, and launched new campaigns in Libya and Nicaragua. Now some of those secret operations are being hauled into the light of day. And disclosure is never kind to covert operations, even when their goals are worthy and their management inspired; as Prados's history shows exhaustively, mistakes are always made and corners nearly always cut.

This book is not a polemic; if anything, it is too jam-packed with dry historical detail. However, it has a clear point. Prados opposes covert war for all the available reasons, including because he believes the idea is always immoral (an issue on which reasonable people can disagree) and illegal (an assertion that he admits is undercut by Congress's consistent approval for most of the secret wars that come its way). But the core of his argument is the test of results: Covert paramilitary action, he says, simply does not work.

In his zeal to show almost all paramilitary adventures as doomed, Prados leaves unanswered the question of why presidents have considered this kind of action a legitimate tool of American policy. (One reason, to which Prados hardly alludes, is that the Soviet Union uses covert action frequently, and American presidents feel compelled, rightly or wrongly, to play by the same rules.)

In any case, Ronald Reagan has proclaimed the "Reagan Doctrine" — support, overt or covert, for anti-Communist insurgents wherever they may be — as the new frontier of American policy in the Third World. A look at the record may dampen some of that ardor. In Nicaragua and elsewhere, the Reagan administration may want to consider the conclusion of a CIA man who worked on the abortive uprisings in Albania, as long ago as 1951: "In the end, it was not possible to do without overt air and military support from England and the United States of some sort. You couldn't do it just with the locals."

Doyle McManus is on the staff of the Los Angeles Times.

Solution to Previous Puzzle

SALAD	WAGMA	PAT
SCENA	ENROL	ENU
THROWING	POOL	
STRANGLER	TONIA	
ERSE	LEN	
CAROLE	VERDICT	
ONERS	TRESS	CAR
ARAR	THULE	COSY
COP	AROMA	YONTO
HUSTLER	LOOSE	
ILK	CHIP	
LAUDE	PLEASURES	
ABSENCE	OF	ALICE
TOE	BEAST	INGOT
HUD	YOKES	LOANS

CHESS

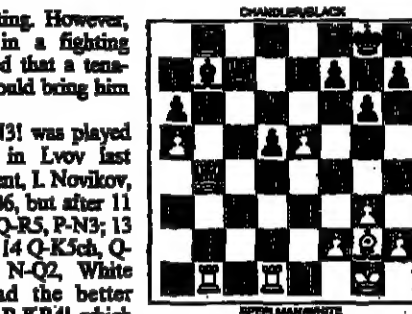
By Robert Byrne

A PLAYOFF of a playoff gave Jonathan Speelman the British championship. The 30-year-old grandmaster had tied for first with his fellow grandmasters, Murray Chandler and Jonathan Mason, in the 62-player, Swiss-system 16-tournament in Southampton. They then moved, almost four months later, to the Great Eastern Hotel in London for a double-round, all-play-all playoff sponsored by the investment firm of Kleinwort-Godwin. The outcome here saw Speelman and Chandler tie with 3-1, eliminating Mason who scored 0-4.

In a stubborn attempt to avoid missing a championship, a two-game mini-match was staged at the rate of all moves in 30 minutes. The initial game was drawn, but Speelman won the tie with a fine positional gambit in the second.

Lately, when White refrains from the immediate recovery of his pawn with 5 Q-R4ch, black has been accepting the challenge of holding on to the material, as Chandler did with 5 B-N2, P-QR3; 6 O-O, P-QN4.

After 7 N-K5, black still has the opportunity of returning the pawn with 7... P-B3; 8 N-N3, P-P; 9 N-QB2, Q-N3; 10 N-K5, R-R2; 11 N-K5, which produces a position that de-



Position after 12... Q-B2

CATALAN OPENING

Move	White	Black
1	d4	d5
2	c4	e6
3	f3	c6
4	e3	f6
5	Bb5	a6
6	Bxc6	b5
7	Bd3	Bb7
8	Qd2	Qc7
9	0-0	0-0
10	Qc2	Qb6
11	Qb3	Qa5
12	Qa4	Qb6
13	Qb3	Qa5
14	Qc2	Qb6
15	Qb3	Qa5
16	Qc2	Qb6
17	Qb3	Qa5
18	Qc2	Qb6
19	Qb3	Qa5
20	Qc2	Qb6
21	Qb3	Qa5
22	Qc2	Qb6
23	Qb3	Qa5
24	Qc2	Qb6
25	Qb3	Qa5
26	Qc2	Qb6
27	Qb3	Qa5
28	Qc2	Qb6
29	Qb3	Qa5
30	Qc2	Qb6
31	Qb3	Qa5
32	Qc2	Qb6
33	Qb3	Qa5
34	Qc2	Qb6
35	Qb3	Qa5
36	Qc2	Qb6
37	Qb3	Qa5
38	Qc2	Qb6
39	Qb3	Qa5
40	Qc2	Qb6
41	Qb3	Qa5
42	Qc2	Qb6
43	Qb3	Qa5
44	Qc2	Qb6
45	Qb3	Qa5
46	Qc2	Qb6
47	Qb3	Qa5
48	Qc2	Qb6
49	Qb3	Qa5
50	Qc2	Qb6
51	Qb3	Qa5
52	Qc2	Qb6
53	Qb3	Qa5
54	Qc2	Qb6
55	Qb3	Qa5
56	Qc2	Qb6
57	Qb3	Qa5
58	Qc2	Qb6
59	Qb3	Qa5
60	Qc2	Qb6
61	Qb3	Qa5
62	Qc2	Qb6
63	Qb3	Qa5
64	Qc2	Qb6
65	Qb3	Qa5
66	Qc2	Qb6
67	Qb3	Qa5
68	Qc2	Qb6
69	Qb3	Qa5
70	Qc2	Qb6
71	Qb3	Qa5
72	Qc2	Qb6
73	Qb3	Qa5
74	Qc2	Qb6
75	Qb3	Qa5
76	Qc2	Qb6
77	Qb3	Qa5
78	Qc2	Qb6
79	Qb3	Qa5
80	Qc2	Qb6
81	Qb3	Qa5
82	Qc2	Qb6
83	Qb3	Qa5
84	Qc2	Qb6
85	Qb3	Qa5
86	Qc2	Qb6
87	Qb3	Qa5
88	Qc2	Qb6
89	Qb3	Qa5
90	Qc2	Qb6
91	Qb3	Qa5
92	Qc2	Qb6
93	Qb3	Qa5
94	Qc2	Qb6
95	Qb3	Qa5
96	Qc2	Qb6
97	Qb3	Qa5
98	Qc2	Qb6
99	Qb3	Qa5
100	Qc2	Qb6

Cocoa Prev.		Toronto Jan. 23		High Low Close Change	
		Canadian stocks via AP			
		Sales Stock		High Low Close Change	
Kaiser Power		2570	2570	2570	2570
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1390	1390	1390
Kaiser Aluminum		1780	1780	1780	1780
Kaiser Chemical		310	310	310	310
Kaiser Energy		270	270	270	270
Kaiser Paper		140	140	140	140
Kaiser Steel		1390	1		

SPORTS

Giants Stomp Broncos, 39-20, in Super Bowl

By Gary Pomerantz

Washington Post Service

PASADENA, California — The New York Giants won their first National Football League title in 30 years here Sunday, and it only made sense that quarterback Phil Simms was the man to lead them out of the wilderness.

These Giants put a stop to Denver's Broncos, 39-20, in Super Bowl XXI at the Rose Bowl.

Simms was a maestro, throwing for 268 yards and three touchdowns. He completed 22 of 25 passes for a Super Bowl record 88 percent completion rate and was named the game's most valuable player.

But it was just his Simms. Who better than a 30-year-old, often maligned veteran to take to the top a franchise that has been chided and taunted during decades of mediocrity?

"That ought to dispel the myth about Phil Simms, because he was absolutely magnificent. That was about as good as a quarterback has ever played," said New York Coach Bill Parcells.

Said Simms, who completed all 10 second-half passes for 165 yards: "The only thing that bothered me all week was that everybody ignored our passing game. . . . The third quarter was like playing golf where you know every putt will go in."

He added that he'd had a certain feeling before the game. "I just told everybody," he said, "I got it today."

This time John Elway, Sunday's other quarterback, didn't pull any wizardry in the final two minutes. By then his team trailed by 19 points and he was nervous on the sideline.

The Broncos will look with pain to the third quarter, when they were worn down by

the Giants, gimmicked into frustration, out-gained by 163 yards to 2 and outscored, 17-0. Their underused offensive line seemed to quietly recede and Simms picked apart their defense.

Above all, the Broncos may realize that even a most resourceful quarterback such as Elway can't win Super Bowls alone. Four Broncos running backs netted 25 yards on 13 carries. Elway finished 22 of 37 for 304 yards, with one touchdown and an interception. By game's end, his 187-yard first-half majesty seemed like the distant past.

The Broncos held them scoreless after a second-quarter drive produced a first-and-goal from the New York 1-yard line. And how Rich Kirsch, who made 17 of 18 field goal tries inside 40 yards this season, missed from 23 yards and 34 yards in a second-quarter misadventure that stole the fire from Denver.

"That's the way my business goes," said Kirsch. "Here one week and in the collar the next. It's an emotional business. I feel really down."

Said Dan Reeves, the Denver coach: "I thought we should have scored about 10 more points in the first half. We knew going into the ball game that if we didn't take advantage of every opportunity we had we would be in tough shape."

The Giants reeled in their first title since 1956 in part because of a pair of sneaky third-quarter gimmick plays. First, on fourth down and one from their 46, they broke from punt formation with punter Sean Landeta going in motion right and blocking back Jeff Rutledge — the backup quarterback — moving behind center to take the snap.

Denver, leading by 10-0 at the time, wasn't fooled and had its short-yardage defense in

place (with the exception of returner Gerald Williams, in for a safety). After a long count, Rutledge drove over right guard for two yards and a first down. Simms then led the Giants to a game-winning touchdown, on a 14-yard pass to all-pro tight end Mark Bavaro.

"We were just trying to win," Parcells said. "This game is not for faint-hearted people."

The Giants, a franchise purchased in 1925 for \$500 by a bookkeeper named Tim Mara, had a unique cast of Super Bowl heroes. There was Phil McCouley, the ball-of-fire former Navy standout, who helped set up 10 third-quarter points with a 25-yard punt return and a 44-yard reception off a flea-flicker play. And when McCouley caught a six-yard TD pass that had deflected off Bavaro early in the fourth quarter, the ghosts of Giants past had vanished for good.

There was also defensive end George Martin, who sacked Elway for a safety to pull the Giants within 10-9 at the half. And Bavaro, who caught four passes, including his TD.

"People can say, 'The Giants are no good,'" said linebacker Lawrence Taylor, "but I have the Super Bowl ring now to show that for at least one time the Giants are the best in the world."

At the outset, Elway led the Broncos 45 yards on seven plays. He scrambled for 10 yards, then hit wideout Mark Jackson for 24 yards. The drive stalled, but Kirsch entered to convert a 48-yard field goal. The Broncos led, 3-0.

After Simms countered with a six-yard touchdown pass to tight end Dave Motow, Elway again scrambled the Giants' morale. He connected on three consecutive passes, including a nine-yard screen to running back Sammy Winder.

New York's all-pro linebackers then made

their first impact of the game — a negative one.

Harry Carson was penalized 12 yards for a late hit out of bounds on Winder. Taylor then angrily picked up the yellow flag and tossed it. Another penalty, tacking on six more yards.

The Broncos had a first down at the New York 6. From shotgun formation on third and goal from the 4, Elway — stunned the Giants by running a quarterback draw right up the middle. He wasn't touched until his dive landed him in the end zone, giving Denver a 10-7 lead with 2:06 left in the first quarter.

The 10-9 margin was the closest halftime score in Super Bowl history, but the Giants, with Simms at the ignition, turned on the burners in the third period. Bavaro's reception, set up by the deceptive punt formation, had made it 19-10; then came a second bit of slinkhugger.

Facing second and six from the Denver 45, Simms handed off to running back Joe Morris, who took a couple of strides toward the line of scrimmage before turning and pitching back to Simms.

Simms looked downfield. He hit McCouley, and said later: "I didn't even hit the right guy. Bobby Johnson was wide open for a touchdown and I didn't see him." As it was, the completion to McCouley was a 44-yard play, to the Denver 1. On the next play, Morris swept around the right side for a 26-10 lead with 24 seconds left in the third quarter.

"I didn't feel ignored this week," Simms reflected. "Like I said, when you think of the Denver Broncos, you think of John Elway. When you think of the New York Giants, you don't think of Phil Simms."



Before the Super Bowl, Phil Simms said, "I just told everybody, 'I got it today.'"



Mark Bavaro, after his reception put the Giants ahead to stay.

Skiers Struggle In for World Meet

By Piero Valsecchi

The Associated Press

CRANS-MONTANA, Switzerland — Exhausted skiers traveled overnight Sunday after a race to prepare for the opening event of the Alpine world championships here. They found the top racer already in town.

While most skiers struggled for hours driving from Kitzbühel, Austria, to Crans-Montana, a few skiers had an easy trip thanks to a helicopter and a private plane.

A men's combined slalom inaugurates the two-week competition Tuesday.

Zurbriggen, who scored his sixth World Cup triumph of the season winning Sunday's downhill at Kitzbühel, is Switzerland's top hope for gold in at least three world championship races.

The 23-year-old all-rounder

from Saas-Almagell showed condition and determination in Sunday's downhill and slalom competitions, held on the same day because the downhill had been fogged-out on Saturday. Zurbriggen, with 261 points, is on course to secure his second overall World Cup crown.

The men's combined title at the world championships will be awarded on the basis of Tuesday's slalom and in a downhill on Friday. Zurbriggen is the defending world combined champion. He also won the downhill gold in the 1985 championships held in Bormio, Italy, and won the silver in the giant slalom.

The women will open with a combined downhill Wednesday.

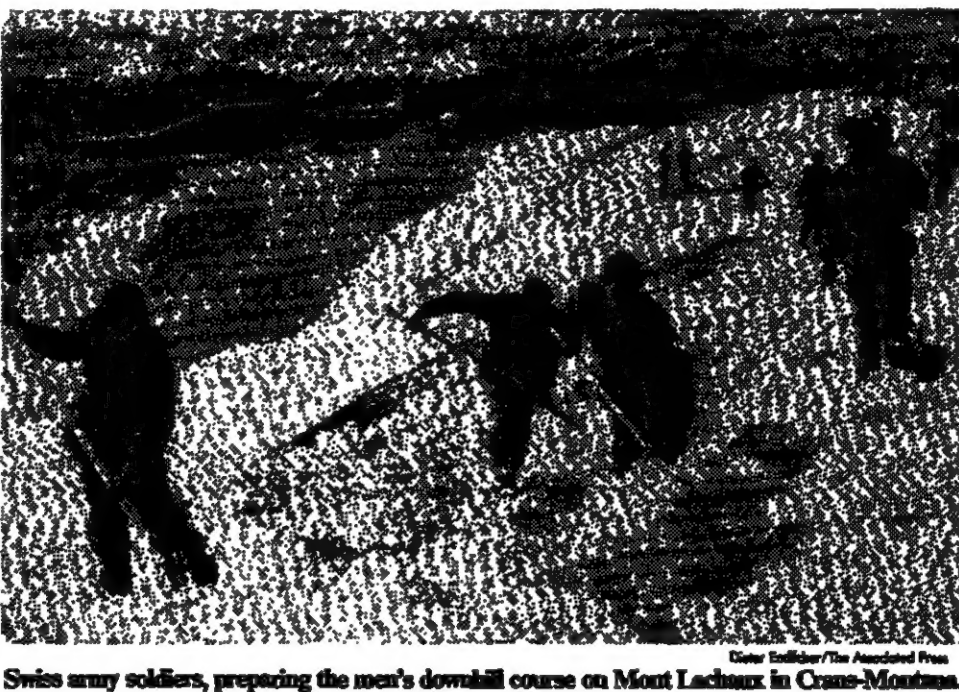
On Monday, Regine Mösenlechner of West Germany turned in the fastest time for the second consecutive day in practice runs for the downhill.

She was timed in 1 minute, 44.79 seconds down the steep Mount Lechaux course. In Sunday's opening practice, she was quickest with a second-best time of 1:44.67 (only one run was scheduled Monday).

Racers who registered the second- and third-best times in Sunday's second run repeated on Monday. Erika Hess was clocked in 1:45.62, while Zoe Haas, her Swiss teammate, was third in 1:46.01.

Marina Kiehl of West Germany, fastest in Sunday's first run, was fourth at 1:46.14, while the overall World Cup leader, Maria Walliser of Switzerland, was fifth at 1:46.28.

The Swiss women's team, which has dominated the World Cup season, had a slight setback when defending downhill champion Michaela Fichtl reported a slight case of bronchitis. She finished eighth in Monday's run at 1:46.66, but expects to be ready for Wednesday's combined downhill.



Swiss army soldiers, preparing the men's downhill course on Mount Lechaux in Crans-Montana.

Kookaburra III Is Named To Defend America's Cup

Compiled by Our Staff From Dispatches

FREMANTLE, Australia — The Kookaburra syndicate decided Monday to race the newer Kookaburra III against Dennis Conner's Stars & Stripes in the finals of the America's Cup.

After two days of speed trials against stablemate Kookaburra II, skipper Iain Murray stuck with the boat he guided through the defender-elimination series, culminating in the defeat of Australia IV, the syndicate flagship of 1983 Cup victor Alan Bond.

"It's no surprise," said Maffin Burnham, president of the Stars & Stripes group. "We are ready for them in the best-of-seven series, starting Saturday, for the world's oldest sailing trophy."

The decision to race Kookaburra III followed two days of trials on the Indian Ocean course in 14- to 17-knot winds. "They were very close in speed," Murray said, but proclaimed Kookaburra-III the best all-round boat.

Officials sifted through computer data, analyzing gains and losses in various points of sailing and straight-line speed.

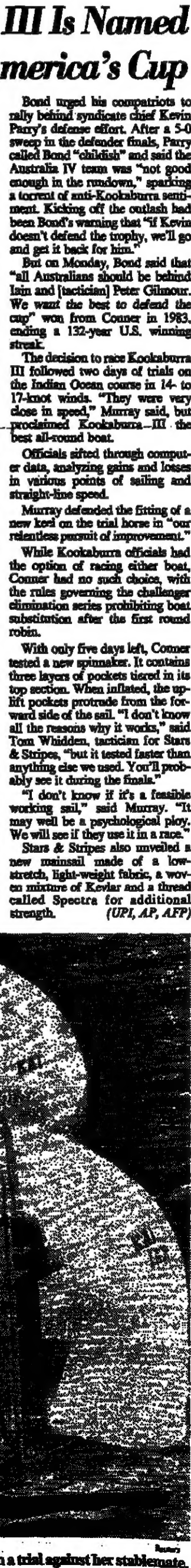
Murray defended the fitting of a new keel on the trial horse in "our relentless pursuit of improvement."

While Kookaburra officials had the option of racing either boat, Conner had no such choice, with the rules governing the challenger elimination series prohibiting boat substitution after the first round robin.

With only five days left, Conner tested a new spinaker. It contains three layers of pockets tied in its top section. When inflated, the up-lift pockets protrude from the forward side of the sail. "I don't know all the reasons why it works," said Tom Whidden, tactician for Stars & Stripes, "but it tested faster than anything else we used. You'll probably see it during the finals."

"I don't know if it's a feasible working sail," said Murray. "It may well be a psychological play. We will see if they use it in a race."

Stars & Stripes also unveiled a new mainsail made of a low-stretch, light-weight fabric, a woven mixture of Kevlar and a thread called Spectra for additional strength. (UPI, AP, AFP)



Kookaburra III, foreground, in a trial against her stablemate.

SCOREBOARD

U.S. College Standings

Big Ten Conference

All Games

W L Pct. W L Pct.

Iowa 4 1 287 10 1 287

Indiana 4 1 287 10 1 287

Purdue 4 1 287 10 1 287

Illinois 4 1 287 10 1 287

Michigan 4 1 287 10 1 287

Ohio St. 4 1 287 10 1 287

Michigan St. 4 1 287 10 1 287

Minnesota 4 1 287 10 1 287

Northwestern 4 1 287 10 1 287

Wisconsin 4 1 287 10 1 287

Atlantic Coast Conference

All Games

W L Pct. W L Pct.

N. Carolina 4 1 287 10 1 287

Carolina 4 1 287 10 1 287

Duke 4 1 287 10 1 287

N. Carolina St. 4 1 287 10 1 287

Virginia Tech 4 1 287 10 1 287

Georgia Tech 4 1 287 10 1 287

Maryland 4 1 287 10 1 287

Wake Forest 4 1 287 10 1 287

Southeastern Conference

All Games

W L Pct. W L Pct.

Alabama 4 1 287 10 1 287

Kentucky 4 1 287 10 1 287

Florida 4 1 287 10 1 287

Auburn 4 1 287 10 1 287

Tennessee 4 1 287 10 1 287

Mississippi St. 4 1 287 10 1 287

Louisiana St. 4 1 287 10 1 287

Arkansas 4 1 287 10 1 287

Missouri 4 1 287 10 1 287

West Virginia 4 1 287 10 1 287

Big East Conference

All Games

W L Pct. W L Pct.

Syracuse 4 1 287 10 1 287

Georgetown 4 1 287 10 1 287

Providence 4 1 287 10 1 287

Pittsburgh 4 1 287 10 1 287

St. John's 4 1 287 10 1 287

Villanova 4 1 287 10 1 287

Seton Hall 4 1 287 10 1 287

Boston College 4 1 287 10 1 287

Connecticut 4 1 287 10 1 287

Pacific-10 Conference

All Games

W L Pct. W L Pct.

UCLA 4 1 287 10 1 287

Oregon St. 4 1 287 10 1 287

California 4 1 287 10 1 287

Stanford 4 1 287 10 1 287

Washington 4 1 287 10 1 287

Oregon 4 1 287 10 1 287

Southern Cal 4 1 287 10 1 287

Arizona St. 4 1 287 10 1 287

Washington St. 4 1 287 10 1 287

NBA Standings

Eastern Conference

Atlantic Division

W L Pct. W L Pct.

Boston 20 14 58.8

Philadelphia 19 15 55.9

Washington 18 16 52.9

New York 18 16 52.9

New Jersey 17 17 50.0

Central Division

W L Pct. W L Pct.

Detroit 20 14 58.8

Atlanta 19 15 55.9

Chicago 18 16 52.9

Cleveland 18 16 52.9

Indiana 17 17 50.0

Western Conference

Pacific Division

W L Pct. W L Pct.

L.A. Lakers 20 14 58.8

Portland 19 15 55.9

Golden State 18 16 52.9

Seattle 18 16 52.9

Phoenix 17 17 50.0

Utah 17 17 50.0

San Antonio 16 18 47.1

Divisional Standings

Atlantic Division

W L Pct. W L Pct.

Boston 20 14 58.8

Philadelphia 19 15 55.9

Washington 18 16 52.9

New York 18 16 52.9

New Jersey 17 17 50.0

Central Division

W L Pct. W L Pct.

Detroit 20 14 58.8

Atlanta 19 15 55.9

Chicago 18 16 52.9

Cleveland 18 16 52.9

Indiana 17 17 50.0

Western Conference

Pacific Division

W L Pct. W L Pct.

L.A. Lakers 20 14 58.8

Portland 19 15 55.9

Golden State 18 16 52.9

Seattle 18 16 52.9

Phoenix 17 17 50.0

Utah 17 17 50.0

San Antonio 16 18 47.1

Divisional Standings

Atlantic Division

W L Pct. W L Pct.

Boston 20 14 58.8

Philadelphia 19 15 55.9

Washington 18 16 52.9

New York 18 16 52.9

New Jersey 17 17 50.0

Central Division

W L Pct. W L Pct.

Detroit 20 14 58.8

Atlanta 19 15 55.9

Chicago 18 16 52.9

Cleveland 18 16 52.9

Indiana 17 17 50.0

Western Conference

Pacific Division

W L Pct. W L Pct.

L.A. Lakers 20 14 58.8

Portland 19 15 55.9

Golden State 18 16 52.9

Seattle 18 16 52.9

Phoenix 17 17 50.0

Utah 17 17 50.0

San Antonio 16 18 47.1

Divisional Standings

Atlantic Division

W L Pct. W L Pct.

Boston 20 14 58.8

Philadelphia 19 15 55.9

Washington 18 16 52.9

New York 18 16 52.9

New Jersey 17 17 50.0

Central Division

W L Pct. W L Pct.

Detroit 20 14 58.8

Atlanta 19 15 55.9

Chicago 18 16 52.9

Cleveland 18 16 52.9

Indiana 17 17 50.0

Western Conference

Pacific Division

W L Pct. W L Pct.

